THRIFT PROFITABILITY

Top 100 Earners in the Thrift Industry

Based on net income for 1989 for all federally-insured thrifts (dollar amounts in thousands)

Rank 12/89	Name of Thrift, City, State	Net Income 1989	Net Income 1988	Percent Change	ROA 1989	ROA 1988	Total Assets 12/31/89
1	American Savings Bank, FA, Irvine, Calif.[1]	215,704	(1,492)	14557.37	1.37	-0.04	16,290,515
2	Home Savings of America, FA, Irwindale, Calif.[1]	192,821	208,674	-7.60	0.52	0.58	44,924,933
3	World Savings, FS&LA, Oakland, Calif.[1]	155,243	136,704	13.56	0.84	0.94	19,263,899
4	First Gibraltar Bank, FSB, Houston[1]	129,834	(738)	17692.68	1.25	-0.02	9,774,756
5	Glendale Federal Bank, F.S.B., Glendale, Calif.[1]	117,135	156,168	-24.99	0.48	0.67	24,043,905
6	Homefed Bank, FSB, San Diego, Calif.[1]	112,741	106,730	5.63	0.66	0.70	17,752,680
7	Great Western Bank, Beverly Hills[1]	99,480	242,499	-58.98	0.30	0.84	34,949,576
8	California Federal Bank, FSB, Los Angeles[1]	84,377	114,683	-26.43	0.34	0.48	23,269,859
9	Green Point Savings Bank, Brooklyn, New York[2]	77,954	71,020	9.76	1.79	1.88	4,614,000
10	Citicorp Savings of Illinois, FS&LA, Chicago[1]	59,035	83,326	-29.15	1.09	1.52	5,476,808
11	Washington Federal Savings & Loan Assn., Seattle[1]	58,643	55,407	5.84	2.49	2.71	2,509,894
12	Chevy Chase Savings Bank, FSB, Md.[1]	51,474	16,786	206.65	1.08	0.41	4,713,146
13	Williamsburgh Savings Bank, Brooklyn, New York[2]	50,716	35,989	40.92	1.42	1.14	3,670,997
14	Columbia Savings, FS&LA, Englewood, Colo.[1]	49,672	(15,181)	427.20	0.99	0.37	4,844,902
15	Standard Federal Bank, Troy, Mich.[1]	45,664	50,694	-9.92	0.46	0.53	9,638,381
16	Society for Savings, Hartford, Conn.[2]	44,856	30,930	45.02	1.08	0.85	4,422,091
17	Third Federal Savings & Loan Assn., Cleveland[1]	36,458	38,860	-6.18	1.45	1.74	2,653,243
18	Bluebonnet Savings Bank, FSB, Dallas[1]	35,427	(80)	44383.75	1.10	-0.01	3,157,293
19	Capitol Federal Savings & Loan Assn., Topeka, Kan.[1]	33,551	27,810	20.64	1.09	0.98	3,157,662
20	Citicorp Savings, FS&LA, San Francisco[1]	32,631	51,171	-36.23	0.45	0.73	7,393,077
21	People's Bank, Bridgeport, Conn.[2]	32,461	36,580	-11.26	0.49	0.62	7,037,923
22	Western Federal Savings & Loan Assn., Marina Del Rey, Calif.[1]	30,131	12,287	145.23	0.66	0.38	4,808,685
23	Astoria Federal Savings & Loan Assn., Queens, New York[1]	29,524	26,636	10.84	0.96	0.91	3,109,349
24	Hudson City Savings Bank, Paramus, N.J.[2]	29,163	27,467	6.17	0.94	0.93	3,219,535
25	Emigrant Savings Bank, New York[2]	28,401	30,985	-8.34	0.83	0.87	3,571,955
26	United Savings Assn. of Texas, FSB, Houston[1]	28,346	121	23326.45	0.72	0.01	3,260,735
27	Champion Federal Savings & Loan Assn., Bloomington, Ill.[1]	28,228	8,267	241.45	1.04	0.32	2,602,904
28	Metropolitan Federal Bank, FSB, Fargo, N.D.[1]	25,196	11,850	112.62	0.99	0.50	2,426,406
29	Citizens Savings Bank, Providence, R.I.[2]	24,477	22,346	9.54	1.10	1.05	2,248,906
30	USAA Federal Savings Bank, San Antonio, Tex.[1]	24,253	14,587	66.26	3.16	2.50	848,142
31	Provident Institution for Savings, Boston [2]	23,591	13,396	76.10	1.44	0.83	1,539,144
32	EurekaBank, Foster City, Calif.[1]	22,159	8,388	164.18	1.25	0.59	1,771,175
33	Peoples Heritage Savings Bank, Portland, Me.[2]	21,732	21,445	1.34	0.93	1.09	2,533,682
34	Apple Bank for Savings, New York[2]	21,352	24,261	-11.99	0.72	0.78	3,849,429
35	Metropolitan Federal Bank of Iowa, Mason City[1]	21,142	(24,059)	187.88	1.75	-3.69	1,139,622
36	Citicorp Savings of Washington D.C., FS&LA[1]	20,646	(8,886)	332.34	1.81	-0.99	1,211,203
37	First Federal Bank of California, Santa Monica[1]	20,458	18,694	9.44	0.86	0.91	2,586,706
38	United Postal Savings Assn., St. Louis[1]	20,381	11,272	80.81	1.43	0.79	1,410,708
39	Firstrust Savings Bank, Philadelphia[2]	20,344	21,882	-7.03	1.78	2.04	1,210,000
40	Long Island Savings Bank, FSB, Melville, N.Y.[1] (a)	20,273	27,451	-26.15	0.38	0.52	5,374,389
41	Talman Home Federal Savings & Loan Assn., Chicago[1]	20,162	25,649	-21.39	0.33	0.42	6,072,659
42	Washington Mutual Savings Bank, Seattle[2]	20,158	31,904	-36.82	0.34	0.58	6,060,902
43	First Federal of Michigan, Detroit[1]	19,688	40,865	-51.82	0.17	0.36	11,088,251
44	Georgia Federal Bank, FSB, Atlanta[1]	19,349	23,962	-19.25	0.45	0.59	4,177,214
45	Union Federal Savings Bank, Los Angeles[1]	19,186	17,311	10.83	0.83	0.84	2,415,157
46	Home Savings Bank, Brooklyn, New York[2]	19,057	24,093	-20.90	1.19	1.48	1,608,861
47	Perpetual Savings Bank, FSB, McLean, Va.[1]	18,454	6,764	172.83	0.30	0.12	5,993,718
48	Northwestern Savings & Loan Assn., Chicago[1]	18,101	17,520	3.32	1.46	1.32	1,308,197
49	South Boston Savings Bank, Boston[2]	17,663	17,322	1.97	1.23	1.25	1,441,694
50	Security Savings & Loan Assn., Milwaukee, Wis.[1]	17,409	17,405	0.02	0.82	0.83	2,120,803
51	American Federal Bank, FSB, Dallas[1]	17,388	8,026	116.65	0.55	0.49	3,211,539
52	Fidelity New York, FSB, Floral Park, N.Y.[1]	17,217	9,190	87.34	0.88	0.50	1,937,310
53	First Federal Savings Bank, Cleveland[1]	16,719	13,370	5.81	0.89	0.85	2,108,295
54	Citizens Federal Bank, FSB, Miami[1]	16,388	14,919	9.85	0.37	0.43	4,257,056
55	Cragin Federal Bank For Savings, Chicago[1]	16,045	33,107	-51.54	0.68	1.49	2,335,970
56	State Savings Bank, Columbus, Ohio[1]	16,024	7,051	127.26	1.14	0.53	1,445,602
57	Pacific First Federal Savings Bank, Seattle[1]	15,737	18,633	-15.54	0.27	0.36	5,667,474
58	Main Line Federal Savings Bank, Villanova, Penn.[1]	15,677	4,116	280.88	2.07	0.62	783,132
59	First Financial Bank, FSB, Stevens Point, Wis.[1]	15,511	14,411	7.63	0.67	0.67	2,370,864
60	TCF Bank Savings, FSB, Minneapolis, Minn.[1]	15,377	15,984	-3.80	0.31	0.28	4,658,239
61	Rochester Community Savings Bank, N.Y.[2]	15,322	22,228	-31.07	0.36	0.55	4,028,011
62	New Haven Savings Bank, Conn.[2]	15,252	14,104	8.14	0.93	0.93	1,696,060
63	Cardinal Federal Savings Bank, Cleveland[1]	15,188	(39,444)	138.51	0.94	-2.53	1,556,274
64	Amwest Savings Association, Bryan, Tex.[1]	15,008	4,147	261.90	0.36	0.39	3,919,697
65	Heartland Federal Savings & Loan Assn., Ponca City, Okla.[1]	14,830	3,262	354.63	1.43	0.56	926,117
66	Sacramento Savings & Loan Assn., Calif.[1]	14,645	11,728	24.87	0.62	0.50	2,308,609
67	Ridgewood Savings Bank, Queens, New York[2]	14,507	17,485	-17.03	1.29	1.54	1,155,235
68	Security Savings Bank, SLA, Vineland, N.J.[1]	14,416	7,513	91.88	0.94	0.53	1,528,470
69	Coastal Banc Savings Association, Houston[1]	14,378	1,639	777.24	2.16	0.56	698,390
70	Virginia Beach Federal Savings Bank, Va.[1]	14,198	2,229	536.97	1.76	0.29	782,520
71	PriMerit Bank, FSB, Las Vegas[1]	14,170	20,788	-31.84	0.51	0.79	2,767,153
72	Long Beach Savings & Loan Assn., Calif.[1]	14,167	2,843	398.31	1.80	0.45	872,153
73	Roslyn Savings Bank, N.Y.[1]	14,062	11,468	22.62	1.45	1.24	970,400
74	Pioneer Federal Savings Bank, Hopewell, Va.[1]	13,977	11,070	26.26	2.26	1.75	544,288
75	Great Lakes Bancorp FSB, Ann Arbor, Mich.[1]	13,741	16,325	-15.83	0.40	0.50	3,385,368
76	Downey Savings & Loan Assn., Newport Beach, Calif.[1]	13,645	28,959	-52.88	0.36	0.85	3,774,336
77	East New York Savings Bank, New York[2]	13,495	15,670	-13.88	0.52	0.85	2,018,448
78	Bay View Federal Bank, FSB, San Mateo, Calif.[1]	13,327	20,004	-33.38	0.48	0.85	2,879,019
79	Bell Federal Savings & Loan Assn., Chicago[1]	13,298	15,560	-14.54	0.76	0.87	1,796,864
80	Butterfield Savings & Loan Assn., FSA, Newport Beach, Calif.[1]	13,195	3,866	241.31	1.97	1.06	590,988
81	Hawthorne Savings & Loan Assn., Calif.[1]	13,153	10,710	22.81	1.31	1.17	1,051,035
82	Southern California Savings, FS&LA, Beverly Hills[1]	12,747	5,443	134.19	0.58	0.28	2,343,251
83	Jamaica Savings Bank FSB, Lynbrook, N.Y.[1]	12,598	(6,652)	289.39	0.87	-0.47	1,479,785
84	Santander Federal Savings Bank, Bayamon, P.R.[1]	12,277	15,724	-21.92	1.10	1.29	1,061,116
85	Greater New York Savings Bank, New York[2]	12,227	9,141	33.76	0.62	0.51	3,105,098
86	New Bedford Institution for Savings, Mass.[2]	12,132	14,120	-14.08	1.03	1.37	1,202,182
87	Western Financial Savings Bank, Irvine, Calif.[1]	12,013	11,992	0.18	0.45	0.57	2,870,261
88	First Federal Savings Bank, Santurce, P.R.[1]	11,743	12,452	-5.69	0.63	0.73	1,927,836
89	American Savings Bank, New Britain, Conn.[2]	11,610	8,117	43.03	1.31	0.96	914,141
90	Decatur Federal Savings & Loan Assn., Ga.[1]	11,445	9,713	17.83	0.48	0.45	2,312,111
91	Household Bank, FSB, Newport Beach, Calif.[1]	11,391	(1,002)	1236.83	0.19	-0.02	7,051,505
92	Security Pacific Savings Bank, Tacoma, Wash.[2]	11,095	4,338	155.76	1.77	0.71	622,652
93	Albany Savings Bank, FSB, N.Y.[1]	11,083	15,018	-26.20	0.56	0.79	2,036,819
94	Heights of Texas, FSB, Houston[1]	11,081	4,191	164.40	0.58	0.55	1,910,321
95	American Savings Bank, FSB, Honolulu[1]	10,537	13,862	-23.99	0.69	1.11	1,651,453
96	Ohio Savings Bank, Cleveland[1]	10,527	13,345	-21.12	0.69	0.91	1,547,296
97	Norstar Bank of Central New York, Syracuse[2]	10,496	8,827	18.91	1.16	1.00	1,387,408
98	Loyola Federal Savings & Loan Assn., Baltimore[1]	10,462	8,935	17.09	0.50	0.45	2,113,726
99	Fidelity Federal Bank, FSB, Glendale, Calif.[1]	10,361	24,722	-58.09	0.21	0.59	4,971,885
100	River Bank America, New York[2]	10,358	25,035	-58.63	0.35	0.92	2,939,446
	TOTAL FOR TOP 100 THRIFTS[3] ($ MILLION)	**3,041**	**3,356**	**-9.39**	**0.67**	**0.65**	**455,888**
	TOTAL FOR ALL SAIF-INSURED THRIFTS[4] ($ MILLION)	**(19,172)**	**(13,439)**	**-42.66**	**(1.53)**	**(1.00)**	**1,251,697**
	TOTAL FOR BIF-INSURED THRIFTS[5] ($ MILLION)	**(130.8)**	**1,041**	**-109.34**	**(0.05)**	**0.42**	**241,627**

Data sources: American Banker questionnaire sent to the 400 largest thrifts in the nation. In addition, federal regulatory data were used. The providers of these data were: **Sheshunoff Information Services Inc.**, Austin Texas; and **ADP Data Services Division,** New York; and **W.C. Ferguson & Co.,** Irving, Tex. Data for state-chartered BIF-insured thrifts are from the Reports of Condition and Income submitted to the FDIC; and data for SAIF-insured thrifts and federally-chartered FDIC-insured savings banks are from the Quarterly Financial Report submitted to the Office of Thrift Supervision. **Net Income:** (1) for the BIF-insured thrifts its income after taxes but before extraordinary items; (2) for the SAIF-insured thrifts its the sum of current net income for each of the four quarters of 1989 and 1988, respectively. **( )**— Indicates a net loss for 1988. **ROA:** is net income divided by total average assets as calculated by **Sheshunoff, Ferguson**, or American Banker. **(1)**— A SAIF-insured thrift. **(2)**— A BIF-insured savings bank. **(3)**— The 1988 data were for the top 100 earners that year. **(4)**— Data were taken from the **News**, published by the **Office of Thrift Supervision,** except the returns on assets which were calculated by American Banker. **(5)**— Data are for state-chartered savings banks. The 1989 data are from **Sheshunoff.** The 1988 data are from the **Federal Deposit Insurance Corp.** The ROAs were calculated by American Banker. **(a)**— Combined regulatory data for the thrift and its division in Centerreach, N.Y. **Compiled by American Banker, Copyright 1990.**

Despite Bailout, Profits Sank at Nation's Healthiest Thrifts

ontinued from *page* 1

erbert Sandler, chief executive Oakland, Calif.-based World vings.

Peter Treadway, an analyst at nith Barney, Harris Upham & ., says major thrifts face the ssibility of additional credit ality problems because comercial real estate markets reain weak. Also, the bailout law s saddled the thrifts with high- premiums for deposit insurce and lower dividends on ck in the Federal Home Loan nk System.

"The theory of the rich getting her and the poor getting poor- is turning out to be imper-t," Mr. Treadway said. "The h are only getting a little rich- but the poor are certainly lding up their end of the al."

Red Ink in Profusion

Indeed, the combined deficit the three thrifts with the larg- losses last year exceeded all profits of the 100 biggest ners. As a result of such pro- e red ink, the entire thrift instry lost over $19 billion in 89, a record amount.

Some of the industry's perenl stars also tasted humble pie. verly Hills, Calif.-based Great stern Bank – the No. 1 earner 1989 – fell to No. 7 this year, er posting a $77 million loss the fourth quarter. That was sed by souring loans on comrcial real estate.

'Good Bank' Makes Good

rvine, Calif.-based American ings Bank, the "good bank" the now defunct American ings and Loan Association, denly became the No. 1 earn- with $216 million in net ine. But this thrift, purchased the Robert M. Bass Group in 8 in a government-assisted l, has an edge over others en it comes to net income: It s no income tax.

ourth-ranked First Gibraltar k, purchased in 1988 by an estor group headed by Ron- O. Perlman, is also a special e. "American and Gibraltar anomalies, because they are g subsidized by the federal ernment," said Jonathan dley, managing director of guson & Co. in Irving, Tex.

Iome Savings of America, Irdale, Calif., was the top earnif American is excluded. me, a unit of H.F. Ahmanson o., had previously been tradthe top spot with Great tern.

or many of the top 100 earnprofits were squeezed in the part of 1989 by a rise in ding costs relative to asset ds.

Capital Considerations

addition, the thrifts were g to meet toughened capital irements, often by shrinkassets. "Some of the top ers had to scramble a bit to t capital requirements," said Ely, the Alexandria, Va.-d consultant.

his year, executives and anasay, performance is picking mong the major thrifts. Net rest margins have improved a drop in interest rates durhe latter part of 1989, and ts are making headway in cing their overhead exes, said Gary Gordon, an yst at PaineWebber Inc.

"The first quarter was an excellent quarter," said Mr. Treadway of Smith Barney.

Great Western, the main unit of Great Western Financial Corp., saw its first-quarter net income surge 30% to $74.2 million. Home's net soared 58% to $62 million.

Prices Have Stabilized

Experts say that price competition on loans and deposits has stabilized somewhat, as troubled and desperate thrifts have left the market. But thrifts are keeping a close eye on commercial banks, which boosted mortgage originations 20% last year even as the overall market declined.

"The banks are coming into our backyards," James Montgomery, chairman and chief executive of Great Western, told a recent conference of the North Carolina League of Savings Institutions. "They've discovered that the single-family mortgage loan is what they want to do."

Great Western is trying to boost profits by becoming more banklike in its liability structure. It recently launched an advertizing blitz to promote checking accounts – a move aimed at reducing reliance on higher-cost certificates of deposit.

Banks are "going to come after us on the asset side," Mr. Montgomery said. "I think we ought to go after them on the liability side."

Home Savings is expecting a marked improvement in its earnings this year because of an expanded asset base, improved spreads of asset yields over funding costs, and increased efficiency. "You don't have to do any more than that," said Richard Deihl, chairman and chief executive of Home.

Mr. Gordon of PaineWebber predicts that Home's profits will hit $260 million for 1990, up 35% from last year.

Mr. Deihl maintains that many of the industry's top earners should see increasing profits in the future. He added that core earnings, which exclude profits from loan sales, are making up a greater and greater portion of total earnings at Home and elsewhere. "I've never been more optimistic about the future," he said.

As for the push by commercial banks into home mortgages, Mr. Deihl professed to be unfazed. "Bank competition doesn't scare me," he said.

American Banker also identified the 100 most profitable thrifts in the nation – regardless of the absolute size of their net income – by the return on average assets for 1989.

Based on this measure, the nation's most profitable thrift last year was Capitol Federal Bank for Savings, Chicago, with an ROA of 9.61%. The $43 million-asset thrift reported a net profit of $3.6 million last year, up from a loss of $84,000 in 1988. □

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Top 100 Thrift Earners in 1989

Ranked in order of their 1989 return on average assets and listed in asset-size peer groups and geographically within region

Return on Average Assets (%)

1989 ROA Rank	PEER GROUP 1: ASSETS OVER $10 BIL.	1989 ROA%
21	American Savings Bank, FA, Irvine, Calif.	1.37
52	World Savings, FS&LA, Oakland, Calif.	0.84
63	Homefed Bank, FSB, San Diego, Calif.	0.66
72	Home Savings of America, FA, Irwindale, Calif.	0.52
77	Glendale Federal Bank, FSB, Calif.	0.48
91	California Federal Bank, FSB, Los Angeles	0.34
95	Great Western Bank, Beverly Hills	0.30
100	First Federal of Michigan, Detroit	0.17
	PEER GROUP 2: ASSETS BETWEEN $5-$10 BIL.	
25	First Gibraltar Bank, FSB, Houston	1.25
34	Citicorp Savings of Illinois, FS&LA, Chicago	1.09
76	People's Bank, Bridgeport, Conn.	0.49
80	Standard Federal Bank, Troy, Mich.	0.46
81	Citicorp Savings, FS&LA, San Francisco	0.45
85	Long Island Savings Bank, FSB, Melville, N.Y.	0.38
92	Washington Mutual Savings Bank, Seattle	0.34
93	Talman Home Federal Savings & Loan Assn., Chicago	0.33
96	Perpetual Savings Bank, FSB, McLean, Va.	0.30
97	Pacific First Federal Savings Bank, Seattle	0.27
99	Household Bank, FSB, Newport Beach, Calif.	0.19
	PEER GROUP 3: ASSETS BETWEEN $1-$5 BIL.	
2	Washington Federal Savings & Loan Assn., Seattle	2.49
7	Citicorp Savings of Washington D.C., FS&LA	1.81
9	Green Point Savings Bank, Brooklyn, New York	1.79
10	Firstrust Savings Bank, Philadelphia	1.78
13	Metropolitan Federal Bank of Iowa, Mason City	1.75
14	Northwestern Savings & Loan Assn., Chicago	1.46
15	Third Federal Savings & Loan Assn., Cleveland	1.45
17	Provident Institution for Savings, Boston	1.44
18	United Postal Savings Assn., St. Louis	1.43
20	Williamsburgh Savings Bank, Brooklyn, New York	1.42
22	Hawthorne Savings & Loan Assn., Calif.	1.31
24	Ridgewood Savings Bank, Queens, New York	1.29
26	EurekaBank, Foster City, Calif.	1.25
27	South Boston Savings Bank, Boston	1.23
28	Home Savings Bank, Brooklyn, New York	1.19
29	Norstar Bank of Central New York, Syracuse	1.16
30	State Savings Bank, Columbus, Ohio	1.14
31	Bluebonnet Savings Bank, FSB, Dallas	1.10
32	Citizens Savings Bank, Providence, R.I.	1.10
33	Santander Federal Savings Bank, Bayamon, P.R.	1.10
35	Capitol Federal Savings & Loan Assn., Topeka, Kan.	1.09
36	Chevy Chase Savings Bank, FSB, Md.	1.08
37	Society for Savings, Hartford, Conn.	1.08
38	Champion Federal Savings & Loan Assn., Bloomington, Ill.	1.04
39	New Bedford Institution for Savings, Mass.	1.03
40	Columbia Savings, FS&LA, Englewood, Colo.	0.99
41	Metropolitan Federal Bank, FSB, Fargo, N.D.	0.99
42	Astoria Federal Savings & Loan Assn., Queens, New York	0.96
43	Hudson City Savings Bank, Paramus, N.J.	0.94
44	Cardinal Federal Savings Bank, Cleveland	0.94
45	Security Savings Bank, SLA, Vineland, N.J.	0.94
46	Peoples Heritage Savings Bank, Portland, Me.	0.93
47	New Haven Savings Bank, Conn.	0.93
48	First Federal Savings Bank, Cleveland	0.89
49	Fidelity New York, FSB, Floral Park, N.Y.	0.88
50	Jamaica Savings Bank FSB, Lynbrook, N.Y.	0.87
51	First Federal Bank of California, Santa Monica	0.86
53	Emigrant Savings Bank, New York	0.83
54	Union Federal Savings Bank, Los Angeles	0.83
55	Security Savings & Loan Assn., Milwaukee	0.82
56	Bell Federal Savings & Loan Assn., Chicago	0.76
57	United Savings Assn. of Texas, FSB, Houston	0.72
58	Apple Bank for Savings, New York	0.72
59	American Savings Bank, FSB, Honolulu, Hawaii	0.69
60	Ohio Savings Bank, Cleveland	0.69
61	Cragin Federal Bank For Savings, Chicago	0.68
62	First Financial Bank, FSB, Stevens Point, Wis.	0.67
64	Western Federal Savings & Loan Assn., Marina Del Rey, Calif.	0.66
65	First Federal Savings Bank, Santurce, P.R.	0.63
66	Sacramento Savings & Loan Assn., Calif.	0.62
67	Greater New York Savings Bank, New York	0.62
68	Southern California Savings, FS&LA, Beverly Hills	0.58
69	Heights of Texas, FSB, Houston	0.58
70	Albany Savings Bank, FSB, N.Y.	0.56
71	American Federal Bank, FSB, Dallas	0.55
73	East New York Savings Bank, New York	0.52
74	PriMerit Bank, FSB, Las Vegas	0.51
75	Loyola Federal S&LA, Baltimore	0.50
78	Bay View Federal BanK, FSB, San Mateo, Calif.	0.48
79	Decatur Federal Savings & Loan Assn., Ga.	0.48
82	Georgia Federal Bank, FSB, Atlanta	0.45
83	Western Financial Savings Bank, Irvine, Calif.	0.45
84	Great Lakes Bancorp FSB, Ann Arbor, Mich.	0.40
86	Citizens Federal Bank, FSB, Miami	0.37
87	Rochester Community Savings Bank, N.Y.	0.36
88	Amwest Savings Association, Bryan, Tex.	0.36
89	Downey Savings & Loan Assn., Newport Beach, Calif.	0.36
90	River Bank America, New York	0.35
94	TCF Bank Savings, FSB, Minneapolis	0.31
98	Fidelity Federal Bank, FSB, Glendale, Calif.	0.21
	PEER GROUP 4: ASSETS LESS THAN $1 BIL.	
1	USAA Federal Savings Bank, San Antonio, Tex.	3.16
3	Pioneer Federal Savings Bank, Hopewell, Va.	2.26
4	Coastal Banc Savings Association, Houston	2.16
5	Main Line Federal Savings Bank, Villanova, Penn.	2.07
6	Butterfield Savings & Loan Assn., FSA, Newport Beach, Calif.	1.97
8	Long Beach Savings & Loan Assn., Calif.	1.80
11	Security Pacific Savings Bank, Tacoma, Wash.	1.77
12	Virginia Beach Federal Savings Bank, Va.	1.76
16	Roslyn Savings Bank, N.Y.	1.45
19	Heartland Federal Savings & Loan Assn., Ponca City, Okla.	1.43
23	American Savings Bank, New Britain, Conn.	1.31

Data Sources: See page 14. **1989 ROA Rank:** The 1989 return on average assets rank for the top 100 earners. When two or more thrift have the same ROA, the thrift with the larger net income receives the higher rank. **New England:** CT ME, MA, NH, RI, and VT. **Midwest:** IL, IN, IA, KS, KY, MI, MN, MO, NE, ND, OH, SD and WI. **Mid-Atlantic:** DC, DE, MD, NJ, NY, PA and PR. **Southeast:** AL, AR, FL, GA, MS, NC, SC, TN, VA, and WV. **Southwest:** CO, LA, NM, OK, TX and UT. **West:** AK, AZ, CA, HA, ID, MT, NV, OR, WA and WY

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Return on Average Assets (%)

1989 ROA Rank	NEW ENGLAND REGION	1989 ROA%
17	Provident Institution for Savings, Boston	1.44
23	American Savings Bank, New Britain, Conn.	1.31
27	South Boston Savings Bank, Boston	1.23
32	Citizens Savings Bank, Providence, R.I.	1.10
37	Society for Savings, Hartford, Conn.	1.08
39	New Bedford Institution for Savings, Mass.	1.03
46	Peoples Heritage Savings Bank, Portland, Me.	0.93
47	New Haven Savings Bank, Conn.	0.93
76	People's Bank, Bridgeport, Conn.	0.49
	MIDWEST REGION	
13	Metropolitan Federal Bank of Iowa, Mason City	1.75
14	Northwestern Savings & Loan Assn., Chicago	1.46
15	Third Federal Savings & Loan Assn., Cleveland	1.45
18	United Postal Savings Assn., St. Louis	1.43
30	State Savings Bank, Columbus, Ohio	1.14
34	Citicorp Savings of Illinois, FS&LA, Chicago	1.09
35	Capitol Federal Savings & Loan Assn., Topeka, Kan.	1.09
38	Champion Federal Savings & Loan Assn., Bloomington, Ill.	1.04
41	Metropolitan Federal Bank, FSB, Fargo, N.D.	0.99
44	Cardinal Federal Savings Bank, Cleveland	0.94
48	First Federal Savings Bank, Cleveland	0.89
55	Security Savings & Loan Assn., Milwaukee, Wis.	0.82
56	Bell Federal Savings & Loan Assn., Chicago	0.76
60	Ohio Savings Bank, Cleveland	0.69
61	Cragin Federal Bank For Savings, Chicago	0.68
62	First Financial Bank, FSB, Stevens Point, Wis.	0.67
80	Standard Federal Bank, Troy, Mich.	0.46
84	Great Lakes Bancorp FSB, Ann Arbor, Mich.	0.40
93	Talman Home Federal Savings & Loan Assn., Chicago	0.33
94	TCF Bank Savings, FSB, Minneapolis	0.31
100	First Federal of Michigan, Detroit	0.17
	MID-ATLANTIC REGION	
5	Main Line Federal Savings Bank, Villanova, Penn.	2.07
7	Citicorp Savings of Washington D.C., FS&LA	1.81
9	Green Point Savings Bank, Brooklyn, New York	1.79
10	Firstrust Savings Bank, Philadelphia, Penn.	1.78
16	Roslyn Savings Bank, N.Y.	1.45
20	Williamsburgh Savings Bank, Brooklyn, New York	1.42
24	Ridgewood Savings Bank, Queens, New York	1.29
28	Home Savings Bank, Brooklyn, New York	1.19
29	Norstar Bank of Central New York, Syracuse	1.16
33	Santander Federal Savings Bank, Bayamon, P.R.	1.10
36	Chevy Chase Savings Bank, FSB, Md.	1.08
42	Astoria Federal Savings & Loan Assn., Queens, New York	0.96
43	Hudson City Savings Bank, Paramus, N.J.	0.94
45	Security Savings Bank, SLA, Vineland, N.J.	0.94
49	Fidelity New York, FSB, Floral Park, N.Y.	0.88
50	Jamaica Savings Bank FSB, Lynbrook, N.Y.	0.87
53	Emigrant Savings Bank, New York	0.83
58	Apple Bank for Savings, New York	0.72
65	First Federal Savings Bank, Santurce, P.R.	0.63
67	Greater New York Savings Bank, New York	0.62
70	Albany Savings Bank, FSB, N.Y.	0.56
72	East New York Savings Bank, New York	0.52
75	Loyola Federal Savings & Loan Assn., Baltimore	0.50
85	Long Island Savings Bank, FSB, Melville, N.Y.	0.38
87	Rochester Community Savings Bank, N.Y.	0.36
90	River Bank America, New York	0.35
	SOUTHEAST REGION	
3	Pioneer Federal Savings Bank, Hopewell, Va.	2.26
12	Virginia Beach Federal Savings Bank, Va.	1.76
79	Decatur Federal Savings & Loan Assn., Ga.	0.48
82	Georgia Federal Bank, FSB, Atlanta	0.45
86	Citizens Federal Bank, FSB, Miami	0.37
96	Perpetual Savings Bank, FSB, McLean, Va.	0.30
	SOUTHWEST REGION	
1	USAA Federal Savings Bank, San Antonio, Tex.	3.16
4	Coastal Banc Savings Association, Houston	2.16
19	Heartland Federal Savings & Loan Assn., Ponca City, Okla.	1.43
25	First Gibraltar Bank, FSB, Houston	1.25
31	Bluebonnet Savings Bank, FSB, Dallas	1.10
40	Columbia Savings, FS&LA, Englewood, Colo.	0.99
57	United Savings Assn. of Texas, FSB, Houston	0.72
69	Heights of Texas, FSB, Houston	0.58
71	American Federal Bank, FSB, Dallas	0.55
88	Amwest Savings Association, Bryan, Tex.	0.36
	WESTERN REGION	
2	Washington Federal Savings & Loan Assn., Seattle	2.49
6	Butterfield Savings & Loan Assn. FSA, Newport Beach, Calif.	1.97
8	Long Beach Savings & Loan Assn., Calif.	1.80
11	Security Pacific Savings Bank, Tacoma, Wash.	1.77
21	American Savings Bank, FA, Irvine, Calif.	1.37
22	Hawthorne Savings & Loan Assn., Calif.	1.31
26	EurekaBank, Foster City, Calif.	1.25
51	First Federal Bank of California, Santa Monica	0.86
52	World Savings & Loan Assn, FS&LA, Oakland, Calif.	0.84
54	Union Federal Savings Bank, Los Angeles	0.83
59	American Savings Bank, FSB, Honolulu	0.69
63	Homefed Bank, FSB, San Diego, Calif.	0.66
64	Western Federal Savings & Loan Assn., Marina Del Rey, Calif.	0.66
66	Sacramento Savings & Loan Assn., Calif.	0.62
68	Southern California Savings, FS&LA, Beverly Hills	0.58
72	Home Savings of America, FA, Irwindale, Calif.	0.52
74	PriMerit Bank, FSB, Las Vegas	0.51
77	Glendale Federal Bank, FSB, Glendale, Calif.	0.48
78	Bay View Federal Bank, FSB, San Mateo, Calif.	0.48
81	Citicorp Savings, FS&LA, Oakland, Calif.	0.45
83	Western Financial Savings Bank, Irvine, Calif.	0.45
89	Downey Savings & Loan Assn., Newport Beach, Calif.	0.36
91	California Federal Bank, FSB, Los Angeles, Calif.	0.34
92	Washington Mutual Savings Bank, Seattle	0.34
95	Great Western Bank, Beverly Hills	0.30
97	Pacific First Federal Savings Bank, Seattle	0.27
98	Fidelity Federal Bank, FSB, Glendale, Calif.	0.21
99	Household Bank, FSB, Newport Beach, Calif.	0.19

The 50 Largest Losses in Thrift Industry in 1989

Includes thrifts that ceased operations and the combined losses of thrifts that were seized by the federal regulators, closed, and then reopened during 1989 (dollar amounts in thousands)

		Loss 1989	Net Inc./ Loss 1988
1	University Federal Savings Assn., Houston[1]	(1,327,778)	(334,649)
2	Western Savings & Loan Assn., FA, Phoenix[2]	(1,161,018)	(151,737)
2	City Savings Bank, FSB, Somerset, N.J.[3]	(1,121,572)	(25,412)
3	Empire of America Federal Savings Bank, Buffalo, N.Y.[4]	(1,105,205)	(64,540)
5	Lincoln Savings & Loan Assn., FA, Los Angeles[5]	(1,029,379)	(284,248)‡
6	Atlantic Financial Savings, FA, Bala Cynwyd, Pa.[6]	(544,882)	(29,720)
7	Columbia Savings & Loan Assn., Beverly Hills	(519,446)	64,959
8	Gibraltar Savings, FA, Simi Valley, Calif.[7]	(505,497)	(89,790)
9	Hill Financial S & L Assn., Red Hill, Pa.[8]	(504,972)	(66,488)
10	First Federal Savings of Arkansas, FA, Little Rock[9]	(472,961)	(176,885)
11	Bright Banc Savings Assn., Dallas[10]	(457,019)	(241,342)
12	Midwest Savings Assn., FA, Minneapolis[11]	(396,595)	(369,232)
13	Peoples Heritage Savings, FS&LA, Salina, Kan.[12]	(393,158)	(19,345)
14	MeraBank, FSB, Phoenix, Ariz.[13]	(387,102)	(208,566)
15	Gill Savings Assn., San Antonio, Tex.[14]	(374,631)	(455,855)
16	Bexar Savings Assn., San Antonio, Tex.[15]	(349,077)	(95,939)
17	Imperial Savings Assn., San Diego, Calif.[16]	(299,801)	(3,814)
18	Community Federal Savings & Loan Assn., St. Louis	(298,492)	(58,809)
19	San Jacinto Savings Assn., Houston	(277,201)	(75,052)
20	Southwest Savings & Loan Assn., FA, Phoenix[17]	(266,155)	(155,711)
21	Coast Savings & Loan Assn., Los Angeles	(264,562)	47,789
22	Great American Bank, SSB, San Diego, Calif.	(263,402)	57,822
23	Goldome, Buffalo, N.Y.	(253,027)	(119,058)
24	Caprock Federal Savings & Loan Assn., Lubbock, Tex.[18]	(240,192)	(9,440)
25	Commonwealth Federal Savings Assn., Houston[19]	(227,285)	(399,897)
26	Horizon Financial, FA, Southampton, Pa.[20]	(203,728)	(34,930)
27	Seamen's Bank for Savings, FSB, New York[21]	(195,338)	30,774
28	CrossLand Savings FSB, Brooklyn, New York	(191,696)	15,267
29	Sun State Savings & Loan Assn., Phoenix, Ariz.[22]	(190,124)	(9,823)
30	Commerce Savings Assn., San Antonio, Tex.[15]	(185,470)	(79,181)
31	San Antonio Savings Assn., FA, Tex.[23]	(167,798)	(262,547)
32	Southwest Savings Assn., Dallas	(161,212)	(77,310)
33	Sandia Federal Savings Assn., Albuquerque, N.M.[24]	(155,291)	(424,478)
34	ABQ Bank, FSB, Albuquerque, N.M.[18]	(153,135)	(9,629)
35	Texasbanc Savings, FSB, Conroe, Tex.	(146,589)	(506)
36	Valley Federal Savings & Loan Assn., Van Nuys, Calif.	(137,353)	(3,009)
37	Security Savings & Loan Assn., FA, Scottsdale, Ariz.[25]	(131,499)	(163,927)
38	BancPlus Savings Assn., Pasadena, Tex.[26]	(129,465)	(94,319)
39	Great Southern Federal Savings & Loan Assn., Savanah, Ga.[27]	(128,441)	(12,308)
40	Sooner Federal Savings Assn., Tulsa, Okla.[28]	(120,855)	(18,218)
41	Pima Savings & Loan Assn., Tucson, Ariz.[29]	(111,850)	(58,204)
42	AmeriFirst Bank, FSB, Miami	(111,435)	(8,456)
43	Valley Federal Savings Assn., McAllen, Tex.[30]	(111,329)	(11,536)
44	Royal Palm Federal Savings & Loan Assn., West Palm Beach, Fla.[31]	(110,896)	(33,385)
45	Maine Savings Bank, Portland	(105,735)	(989)
46	First American Bank for Savings, Boston	(104,941)	(22,822)
47	Unifirst Bank for Savings, FS&LA, Jackson, Miss.[32]	(104,010)	(4,666)
48	Murray Federal Savings & Loan Assn., Dallas[33]	(100,948)	(82,671)
49	American Savings & Loan Assn. of Brazoria, Lake Jackson, Tex.[34]	(95,614)	(41,388)
50	First South Savings Assn., Port Neches, Tex.[34]	(95,612)	(121,627)
	Total 1989 losses of the 50 largest losers	**($16.5 bil.)**	
	1,255 of the 3,556 thrifts operating during 1989 lost†	**($24.7 bil.)**	
	2,301 of the 3,556 thrifts operating during 1989 earned†	**$5.6 bil.**	
	Consolidated net losses of the thrift industry§	**($19.1 bil.)**	

Data sources: American Banker questionnaire sent to the 400 largest thrifts in the nation. In addition, federal regulatory data were used. The providers of these data were: **Sheshunoff Information Services Inc.,** Austin Texas; and **ADP Data Services Division,** New York; and **W.C. Ferguson & Co.,** Irving, Tex. Some institutions seized by the federal regulators were issued new titles and new charters. To obtain the total 1989 loss for these institutions, the losses incurred before seizure were added to the losses incurred after seizure. These amounts are reported in the notes below. (1)— Acquired by NCNB Texas National Bank, Dallas, 10/89. Changed title from University Savings Assn., 5/89. Lost $1,250 million under its former title and $78 million under its latter title. (2)— Seized by the federal regulators on 6/14/89. Prior to seizure it lost $100 million, and since seizure it lost $1,061 million. (3)— City Federal Savings Bank, Bedminster, was seized 12/8/89. Prior to seizure it lost $236 million, and since seizure it lost $885 million. (4)— Seized on 1/24/90 and placed in the RTC conservatorship program. (5)— Lincoln S&L Assn., Irvine, was seized 4/14/89. Prior to seizure it lost $841 million, and since seizure it lost $188 million. (6)— Formerly Atlantic Financial Federal. It was placed in the RTC conservatorship program in 1/90. (7)— Gibraltar Savings, Beverly Hills was seized 3/31/89. Prior to seizure it lost $435 million, and since seizure it lost $46 million. Also included in the 1989 loss total are the losses posted by Gibraltar's Washington-based thrift subsidiary. Prior to its seizure in 0/89, Gibraltar Savings, FA, Bellevue, lost $21 million, and since its seizure the new Gibraltar Savings Bank, FSB, Seattle has lost $3.7 million. (8)— Acquired by Meridian Bank, Reading, Pa., on 10/14/89. (9)— First Savings of Arkansas was seized on 2/10/89. Prior to seizure it lost $252 million, and since seizure it lost $221 million. (10)— Seized by the regulators on 2/10/89 and acquired by Bank One Texas NA on 2/3/90. (11)— Midwest Federal S&LA was seized on 2/13/89. Prior to seizure it lost $266 million, and since seizure it lost $131 million. (12)— Peoples Heritage Federal S&LA was seized on 8/10/89. Prior to seizure it lost $213 million, and since seizure it lost $180 million. (13)— Placed in RTC conservatorship 1/90. (14)— Seized 2/7/89. (15)— Seized 3/2/89. (16)— Seized and placed into RTC conservatorship on 2/23/90. (17)— Southwest S&LA was seized on 2/17/89. Prior to seizure it lost $52 million, and since seizure it lost $214 million. (18)— Caprock S&LA was seized 8/1/89. Prior to seizure it lost $58 million, and since seizure it lost $182 million. (19)— Commonwealth SA was seized on 3/9/89. Prior to seizure it lost $88 million, and since seizure it lost $139 million. (20)— In April 1990 Chase Manhattan Bank NA, New York, purchased certain assets and assume certain liabilities. (21)— Seized on 6/14/89. (22)— Seized on 6/14/89. (23)— San Antonio SA was seized on 3/2/89. Prior to seizure it lost $109 million, and since seizure it lost $59 million. (24)— Sandia Federal S&LA was seized on 2/10/89. Prior to seizure it lost $99 million, and since seizure it lost $56 million. (25)— Seized on 2/17/89. (26)— Seized 3/9/89. (27)— Great Southern FSB was seized on 6/22/89. Prior to seizure it lost $115 million, and since seizure it lost $13 million. (28)— Sooner Federal S&LA Was seized on 11/16/89. Prior to seizure it lost $119 million, and since seizure it lost $1.8 million. (29)— Seized and placed into RTC conservatorship on 3/2/90. (30)— Valley Federal S&LA was seized on 10/19/89. Prior to seizure it lost $59 million, and since seizure it lost $52 million. (31)— Royal Palm Savings Bank was seized on 3/16/89. Prior to seizure it lost $57 million, and since seizure it lost $54 million. (32)— Unifirst Bank for Savings, FA, was seized on 8/10/89. Prior to seizure it lost $48 million, and since seizure it lost $56 million. (33)— Seized on 4/5/89. (34)— Seized on 3/16/89. (‡)— Final restated loss. (†)— Of the 3,082 SAIF-insured thrifts operating during 1989, 1,157 lost $23.4 billion, and 1,925 earned $4.4 bil. And of the 474 state-chartered savings banks operating during 1989, 98 lost $1.3 billion, and 376 earned $1.2 billion. Aggregate data on SAIF-insured thrifts are from **Sheshunoff,** and the aggregate data on state-chartered BIF-insured thrifts are from **Ferguson.** (§)— According to **Sheshunoff** all SAIF-insured thrifts operating during the year (2,878 remained at yearend 1989, according to **OTS**) lost $19 billion in 1989 and all BIF-insured state chartered thrifts (469 remained at yearend, according to the **FDIC**) lost $130.8 million.

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Thrift Profitability by State

Based on the Return on Average Assets for SAIF-Insured Thrifts 1987-1989

	Return on Average Assets		
	1989	1988	1987
Alabama	(0.98)	(0.24)	(0.10)
Alaska	(13.18)	(15.28)	(7.24)
Arizona	(10.15)	(2.69)	(0.28)
Arkansas	(10.82)	(5.70)	(2.48)
California	(0.50)	0.20	0.09
Colorado	(3.73)	(3.14)	(0.77)
Connecticut	(0.11)	0.07	0.40
Delaware	(0.33)	0.32	0.51
District of Columbia	0.88	(0.26)	(0.19)
Florida	(0.68)	(0.43)	(0.06)
Georgia	(0.68)	0.26	0.41
Hawaii	0.40	0.88	1.20
Idaho	0.18	0.15	(2.25)
Illinois	0.04	0.18	0.20
Indiana	0.46	0.41	0.18
Iowa	(0.26)	(1.06)	(0.87)
Kansas	(2.75)	(0.17)	0.22
Kentucky	0.62	0.52	0.02
Louisiana	(3.21)	(1.46)	(1.97)
Maine	0.72	0.64	0.81
Maryland	0.18	0.31	0.05
Massachusetts	(0.66)	0.51	0.68
Michigan	0.19	0.36	0.40
Minnesota	(2.55)	(2.15)	(0.46)
Mississippi	(2.88)	(1.63)	(0.04)
Missouri	(1.82)	(0.38)	0.09
Montana	0.65	0.41	0.19
Nebraska	(0.97)	(0.71)	(0.28)
Nevada	0.41	0.64	0.68
New Hampshire	(0.48)	0.10	0.43
New Jersey	(2.13)	0.15	0.30
New Mexico	(7.08)	(8.57)	(2.48)
New York	(1.58)	0.32	0.67
North Carolina	0.05	0.46	0.70
North Dakota	(0.15)	0.15	0.35
Ohio	0.17	0.41	0.21
Oklahoma	(2.84)	(2.39)	(4.57)
Oregon	(0.22)	(0.15)	(1.31)
Pennsylvania	(2.48)	0.07	0.58
Rhode Island	(1.02)	0.56	0.43
South Carolina	(0.02)	0.41	0.48
South Dakota	(0.70)	0.57	0.32
Tennessee	(0.10)	0.17	0.49
Texas	(6.13)	(9.40)	(6.66)
Utah	(3.37)	(1.02)	(1.34)
Vermont	0.14	0.48	0.82
Virginia	0.05	0.06	0.33
Washington	0.39	0.33	0.53
West Virginia	0.66	0.51	(0.76)
Wisconsin	0.40	0.53	0.49
Wyoming	(0.42)	(3.06)	(3.32)
All Thrifts in U.S.	**(1.54)**	**(0.84)**	**(0.46)**

Data Source: S&L Quarterly published by **Sheshunoff Information Services Inc., Austin, Texas.** These data are from the Quarterly Financial Report filed by FSLIC-insured thrifts to the FHLBB. **Return on Average Assets:** is the sum of the net income (loss) for each thrift in the state divided by the sum of their average total assets. ( )— Indicates a net loss on average assets.

Compiled by American Banker.

THRIFT PROFITABILITY

Most Profitable Thrift Institutions in 1989

Listed in order of the return on average assets for 1989 (dollar amounts in thousands)

Rank 1989	Name of Thrift, City, State	Net Income 1989	Net Income 1988	Percent Change	ROA 1989	ROA 1988	Total Assets 12/31/89
1	Capitol Federal Bank For Savings, Chicago[1]	3,590	(84)	4373.81	9.61	-0.27	43,144
2	South Side Savings Bank, FSB, Lima, Ohio[1]	5,127	10	51170.00	7.15	0.06	67,741
3	Mississippi Hill & Delta Savings & Loan Assn., Sumner[1]	96	25	284.00	5.24	1.09	1,693
4	Charter Federal Savings & Loan Assn., West Point, Ga.[1]	5,915	360	1543.06	4.80	0.28	118,751
5	City Savings & Loan Assn., San Antonio, Tex.[1]	9,104	10,532	-13.56	4.45	8.12	208,477
6	First Financial Savings Bank, SLA, Woodbridge, N.J.[1]	3,083	1,994	54.61	3.87	2.34	72,630
7	Continental Savings Bank, Seattle[1]	6,880	459	1398.91	3.63	0.34	236,325
8	Sterling Savings & Loan Assn., Irvine, Calif.[1]	6,268	3,871	61.92	3.35	2.20	168,496
9	Washington Savings & Loan Assn., Chicago[1]	403	192	109.90	3.34	1.70	11,911
10	Lakeview Savings & Loan Assn., Paterson, N.J.[1]	5,605	2,709	106.90	3.25	1.86	200,974
11	USAA Federal Savings Bank, San Antonio, Tex.[1]	24,253	14,587	66.26	3.16	2.50	848,142
12	Plaza Savings & Loan Assn., Santa Ana, Calif.[1]	1,913	1,104	73.28	3.03	1.89	69,199
13	World S&L Assn. of America, FS&LA, Lynnwood, Wash.[1]	1,092	412	165.05	2.87	1.36	41,107
14	Security Federal Savings & Loan Assn., Albuquerque, N.M.[1]	7,392	464	1493.10	2.83	0.20	277,581
15	Union Federal Savings Bank, Frankton, Ind.[1]	980	(14)	7100.00	2.71	-0.08	39,630
16	Fidelity Federal Savings Bank, Richmond, Va.[1]	3,881	1,041	272.81	2.65	1.01	159,781
17	Alpha Indian Rock Savings & Loan Assn., Philadelphia[1]	275	(25)	1200.00	2.64	-0.34	11,070
18	Atlantic Financial Savings, Las Vegas[1]	2,301	2,475	-7.03	2.51	2.91	89,820
19	Heartland Savings Bank, FSB, St. Louis[1]	6,146	2,350	161.53	2.50	1.07	240,854
20	Washington Federal Savings & Loan Assn., Seattle[1]	58,643	55,407	5.84	2.49	2.71	2,515,746
21	Elgin Federal Financial Center, FA, Ill.[1]	5,493	2,042	169.00	2.49	0.93	211,040
22	First Federal Savings & Loan Assn., Council Bluffs, Iowa[1]	3,033	535	466.92	2.43	1.54	136,308
23	Reisterstown Federal Savings Bank, Md.[1]	4,736	3,464	36.72	2.38	2.02	210,086
24	Glen Burnie Mutual Savings Bank, Md.[2]	129	N.A.	.....	2.38	N.A.	21,714
25	Wichita Federal Savings & Loan Assn., Kan.[1]	6,054	686	782.51	2.37	0.28	264,881
26	Commercial Credit Savings Bank, Pittsburgh[2]	721	3,253	-77.84	2.33	1.55	13,259
27	Preferred Savings & Loan Assn., Chicago[1]	877	483	81.57	2.30	1.30	39,018
28	Metropolitan Bank for Savings, FSB, Arlington, Va.[1]	1,341	381	251.97	2.28	0.74	63,761
29	First Security Savings Bank FSB, Bloomfield Hills, Mich.[1]	1,592	12	13166.67	2.27	0.03	91,114
30	Pioneer Federal Savings Bank, Hopewell, Va.[1]	13,977	11,070	26.26	2.26	1.75	544,288
31	Portsmouth Savings Bank, N.H.[2]	5,559	3,131	77.55	2.23	1.27	261,677
32	Ulster Savings Bank, Kingston, N.Y.[2]	5,806	4,422	31.30	2.20	1.76	280,497
33	Coastal Banc Savings Association, Houston[1]	14,378	1,639	777.24	2.16	0.56	698,390
34	Beach Savings Bank, Huntington Beach, Calif.[1]	2,140	300	613.33	2.11	0.39	112,800
35	Metropolitan Federal Bank of Minnesota, Brainerd[1]	6,687	542	1133.76	2.08	0.29	308,338
36	Main Line Federal Savings Bank, Villanova, Penn.[1]	15,677	4,116	280.88	2.07	0.62	783,132
37	Fullerton Savings & Loan Assn., Calif.[1]	7,188	5,749	25.03	2.05	1.69	351,032
38	American Federal Savings Bank, Rockville, Md.[1]	2,401	2,175	10.39	2.03	2.19	118,712
39	American Bank of Connecticut, Waterbury[2]	6,077	5,521	10.07	2.00	2.17	326,856
40	Needham Co-operative Bank, Mass.[2]	5,438	7,138	-23.82	2.00	2.65	280,758
41	First Federal Savings Bank of Proviso Township, Hillside, Ill.[1]	4,499	3,642	23.53	1.98	1.57	225,915
42	Prince George's Federal Saving Bank, Upper Marlboro, Md.[1]	522	530	-1.51	1.98	2.13	27,833
43	Reliance Savings & Loan Assn., Milwaukee, Wis.[1]	474	528	-10.23	1.98	2.30	25,199
44	Butterfield Savings & Loan Assn. FSA, Newport Beach, Calif.[1]	13,195	3,866	241.31	1.97	1.06	590,988
45	Westside Savings & Loan Assn., Los Angeles[1]	2,137	1,600	33.56	1.97	2.68	132,695
46	Home Building & Loan Assn., Mountain Grove, Mo.[1]	1,503	1,927	-22.00	1.97	2.65	77,970
47	Standard Savings Bank, Los Angeles[1]	3,821	3,294	16.00	1.94	2.05	214,350
48	Luther Burbank Savings & Loan Assn., Santa Rosa, Calif.[1]	3,717	4,321	-13.98	1.93	2.95	223,556
49	Republic Savings Bank, FSB, Louisville, Ky.[1]	6,690	1,568	326.66	1.90	0.51	332,358
50	Abacus Federal Savings Bank, New York[1]	846	393	115.27	1.88	1.26	51,686
51	Regal Savings Bank, FSB, Owings Mills, Md.[1]	769	952	-19.22	1.87	2.44	41,890
52	NVR Savings Bank, McLean, Va.[1]	6,938	0	.....	1.82	0.00	399,596
53	Citicorp Savings of Washington, D.C., FS&LA[1]	20,646	(8,886)	332.34	1.81	-0.99	1,211,203
54	Long Beach Savings & Loan Assn., Calif.[1]	14,167	2,843	398.31	1.80	0.45	872,153
55	Green Point Savings Bank, New York[2]	77,954	71,020	9.76	1.79	1.88	4,607,061
56	Firstrust Savings Bank, Philadelphia[2]	20,344	21,882	-7.03	1.78	2.04	1,210,709
57	Union Federal Savings Bank, Indianapolis, Ind.[1]	3,079	336	816.37	1.78	0.38	153,652
58	Security Pacific Savings Bank, Tacoma, Wash.[2]	11,095	4,338	155.76	1.77	0.71	622,652
59	Machias Savings Bank, Me.[2]	2,252	1,799	25.18	1.77	1.63	136,323
60	Virginia Beach Federal Savings Bank, Va.[1]	14,198	2,229	536.97	1.76	0.29	782,520
61	Metropolitan Federal Bank of Iowa, Mason City[1]	21,142	(24,059)	187.88	1.75	-3.69	1,139,622
62	First Public Savings Bank, Los Angeles[1]	3,002	2,309	30.01	1.75	1.53	180,800
63	Griffin Federal Savings Bank, Ga.[1]	1,348	1,122	20.14	1.75	1.72	82,399
64	Savetrust Federal Savings Bank, Dyersburg, Tenn.[1]	848	(68)	1347.06	1.74	-0.19	47,088
65	First Federal Savings Bank, Kalispell, Mont.[1]	2,813	2,015	39.60	1.72	1.36	166,592
66	First Federal Savings Bank, Boston[1]	990	(260)	480.77	1.72	-0.88	71,083
67	United Savings & Loan Assn., Wichita, Kan.[1]	148	87	70.11	1.71	0.82	8,863
68	Nantucket Savings Bank, Mass.[2]	1,908	1,798	6.12	1.69	1.75	117,263
69	Homewood Federal Savings & Loan Assn., Ill.[1]	4,437	777	471.04	1.68	0.27	235,131
70	First Federal Savings & Loan Assn., Forest City, N.C.[1]	908	1,064	-14.66	1.68	1.98	54,739
71	First Federal Savings Bank, Campbellsville, Ky.[1]	2,454	1,269	93.38	1.66	0.87	149,131
72	Andrew Jackson Savings & Loan Assn., Tallahassee, Fla.[1]	4,716	1,820	159.12	1.65	0.80	303,818
73	Greenville Federal Savings & Loan Assn., Ohio[1]	1,349	420	221.19	1.64	0.48	81,373
74	Dollar Savings & Loan Assn., Newark, N.J.[1]	225	(247)	191.09	1.64	-1.75	13,912
75	Calumet Federal Savings & Loan Assn., Chicago[1]	6,311	4,944	27.65	1.62	1.27	393,548
76	North American Savings Assn., Grandview, Mo.[1]	6,325	(7,244)	187.31	1.59	-1.80	402,796
77	Bethel Savings Bank, FSB, Me.[1]	1,075	994	8.15	1.59	1.62	68,653
78	Baltimore American Savings Bank, FSB[1]	322	318	1.26	1.60	1.59	20,615
79	Heritage Federal Savings & Loan Assn., Sparta, Ill.[1]	842	155	443.23	1.58	0.27	52,044
80	Mercantile Savings Bank, Cincinnati[1]	621	102	508.82	1.58	0.31	45,568
81	Horizon Bank, SB, Bellingham, Wash.[2]	4,366	4,061	7.51	1.57	1.57	293,983
82	Deerfield Federal Savings & Loan Assn., Ill.[1]	4,081	3,857	5.81	1.57	1.52	261,476
83	First Federal Savings Bank, Fort Dodge, Iowa[1]	2,128	1,829	16.35	1.57	1.34	135,969
84	Woodruff Federal Savings & Loan Assn., S.C.[1]	1,295	1,180	9.75	1.57	1.47	84,640
85	Kearny Federal Savings & Loan Assn., N.J.[1]	7,997	10,097	-20.80	1.55	2.06	518,552
86	First Federal Savings Bank, Elizabethtown, Ky.[1]	2,899	2,757	5.15	1.55	1.53	192,452
87	First Federal Savings & Loan Assn., Lincolnton, N.C.[1]	1,330	1,023	30.01	1.55	1.24	88,515
88	Citizens Federal Savings & Loan Assn., Bellefontaine, Ohio[1]	1,184	862	37.35	1.55	1.17	79,191
89	Kennebec Savings Bank, Augusta, Me.[2]	1,710	1,723	-0.75	1.54	1.71	121,105
90	Southeast Bank for Savings, Dover, N.H.[2]	4,521	3,484	29.76	1.53	1.21	298,296
91	Sterling Savings Bank, FSB, Royal Oak, Mich.[1]	1,758	1,197	46.87	1.53	1.21	127,116
92	First Federal Savings Bank, Frankfort, Ky.[1]	1,467	1,158	26.68	1.53	1.27	97,474
93	First Federal Savings Bank, La Follette, Tenn.[1]	1,027	737	39.35	1.53	1.15	68,794
94	Home Trust Savings & Loan Assn., Vermillion, S.D.[1]	529	210	151.90	1.53	0.60	34,715
95	Heartland Federal Savings & Loan Assn., Ponca City, Okla.[1]	15,343	3,262	370.36	1.52	0.56	925,387
96	Fredericksburg Savings & Loan Assn., Va.[1]	6,002	5,136	16.86	1.51	1.40	413,668
97	Newton Federal Savings & Loan Assn., Covington, Ga.[1]	1,188	1,352	-12.13	1.51	1.91	82,548
98	Nelson County Federal Savings & Loan Assn., Bardstown, Ky.[1]	388	293	32.42	1.51	1.14	26,236
99	Vigilant Federal Savings & Loan Assn., Baltimore[1]	128	139	-7.91	1.51	1.74	9,057
100	Hatboro Federal Savings & Loan Assn., Pa.[1]	2,047	1,680	21.85	1.50	1.30	142,409

Data Sources: Data are for all federally-insured savings banks and savings and loan associations snd were compiled from federal regulatory data provided by **W.C. Ferguson & Co.**, Irving, Tex. Data for BIF-insured thrifts are from the Reports of Condition and Income submitted to the FDIC; and data for SAIF-insured thrifts and federally-chartered FDIC-insured savings banks are from the Quarterly Financial Report submitted to the Office of Thrift Supervision. **Rank 1989:** Profitability rank based on 1989 ROA. When two or more thrift have the same ROA, they are listed in order of their net income for 1989, with the thrift earning the larger, absolute amount receiving the higher rank number. **Net Income:** (1) for the BIF-insured thrifts its income after taxes but before extraordinary items; (2) for the SAIF-insured thrifts its the sum of current net income for each of the four quarters of 1989 and 1988, respectively. **ROA:** is net income divided by total average assets as calculated by **Ferguson.** (1)— A SAIF-insured thrift. (2)— A BIF-insured, state chartered savings bank. **Compiled by American Banker, Copyright 1990.**

THRIFT PROFITABILITY

The 100 Most Profitable U.S. Thrift Institutions

Based on the return on average assets for 1989. Thrifts are listed geographically in order of their ROA within states

1989 ROA RANK		ROA 1989	Return on Capital	Int. Earn. Assets-to-Liabilities	Spread
	CALIFORNIA				
8	Sterling Savings & Loan Assn., Irvine[1]	3.35	30.23	83.01	3.23
12	Plaza Savings & Loan Assn., Santa Ana[1]	3.03	45.31	122.65	2.20
34	Beach Savings Bank, Huntington Beach[1]	2.11	33.95	90.50	2.92
37	Fullerton Savings & Loan Assn.[1]	2.05	27.93	88.36	3.11
44	Butterfield S&L Assn., FSA, Newport Beach[1]	1.97	26.25	99.53	0.77
45	Westside Savings & Loan Assn., Los Angeles[1]	1.97	33.83	96.18	2.82
47	Standard Savings Bank, Los Angeles[1]	1.94	19.91	107.69	3.36
48	Luther Burbank S&L Assn., Santa Rosa[1]	1.93	25.35	102.12	2.63
54	Long Beach Savings & Loan Assn.[1]	1.80	50.63	95.22	2.59
62	First Public Savings Bank, Los Angeles[1]	1.75	20.05	106.31	4.12
	CONNECTICUT				
39	American Bank of Connecticut, Waterbury[2]	2.00	22.34	108.17	3.47
	WASHINGTON D.C.				
53	Citicorp Savings of Washington D.C., FS&LA[1]	1.81	7.87	119.34	2.25
	FLORIDA				
72	Andrew Jackson S&L Assn., Tallahassee[1]	1.65	26.75	96.62	2.19
	GEORGIA				
4	Charter Federal Savings & Loan Assn., West Point[1]	4.80	420.10	100.88	1.30
63	Griffin Federal Savings Bank[1]	1.75	21.64	105.23	3.35
97	Newton Federal Savings & Loan Assn., Covington[1]	1.51	12.20	113.36	2.50
	ILLINOIS				
1	Capitol Federal Bank For Savings, Chicago[1]	9.61	146.41	101.93	3.08
9	Washington Savings & Loan Assn., Chicago[1]	3.34	52.54	109.56	2.30
21	Elgin Federal Financial Center FA[1]	2.49	60.97	103.73	2.34
27	Preferred Savings & Loan Assn., Chicago[1]	2.30	15.79	119.54	3.92
41	First Fed. Svgs Bank of Proviso Township, Hillside[1]	1.98	22.18	110.10	2.01
69	Homewood Federal Savings & Loan Assn.[1]	1.68	68.63	91.58	3.07
75	Calumet Federal Savings & Loan Assn., Chicago[1]	1.62	20.89	106.98	2.89
79	Heritage Federal Savings & Loan Assn., Sparta[1]	1.58	-197.19	95.89	2.31
82	Deerfield Federal Savings & Loan Assn.[1]	1.57	12.42	112.35	3.14
	INDIANA				
15	Union Federal Savings Bank, Frankton[1]	2.71	64.86	98.68	3.34
57	Union Federal Savings Bank, Indianapolis[1]	1.78	38.51	89.89	3.18
	IOWA				
22	First Federal Savings & Loan Assn., Council Bluffs[1]	2.43	12.3	129.01	2.36
61	Metropolitan Federal Bank of Iowa, Mason City[1]	1.75	43.19	96.51	2.54
83	First Federal Savings Bank, Fort Dodge[1]	1.57	28.78	104.14	2.63
	KANSAS				
25	Wichita Federal Savings & Loan Assn.[1]	2.37	49.32	101.20	1.58
67	United Savings & Loan Assn., Wichita[1]	1.71	10.80	121.96	3.79
	KENTUCKY				
49	Republic Savings Bank FSB, Louisville[1]	1.90	33.62	101.09	2.25
71	First Federal Savings Bank, Campbellsville[1]	1.66	51.44	98.80	2.88
86	First Federal Savings Bank, Elizabethtown[1]	1.55	9.49	117.16	2.55
92	First Federal Savings Bank, Frankfort[1]	1.53	12.57	111.93	2.21
98	Nelson County Federal S&L Assn., Bardstown[1]	1.51	14.34	111.30	2.07
	MAINE				
59	Machias Savings Bank[2]	1.77	15.43	112.68	5.72
77	Bethel Savings Bank FSB[1]	1.59	11.48	110.70	3.98
89	Kennebec Savings Bank, Augusta[2]	1.54	12.76	110.48	2.98
	MARYLAND				
23	Reisterstown Federal Savings Bank[1]	2.38	23.15	108.31	4.20
24	Glen Burnie Mutual Savings Bank[2]	2.38	21.37	112.17	10.50
38	American Federal Savings Bank, Rockville[1]	2.03	32.38	102.13	4.34
42	Prince George's Federal Savings Bank, Upper Marlboro[1]	1.98	11.60	115.47	3.06
51	Regal Savings Bank FSB, Owings Mills[1]	1.87	17.23	106.00	6.10
78	Baltimore American Savings Bank, FSB[1]	1.60	16.03	106.44	4.75
99	Vigilant Federal Savings & Loan Assn., Baltimore[1]	1.51	14.99	108.94	3.65
	MASSACHUSETTS				
40	Needham Co-operative Bank[2]	2.00	10.96	120.21	4.65
66	First Federal Savings Bank, Boston[1]	1.72	13.56	96.61	3.82
68	Nantucket Savings Bank[2]	1.69	16.27	111.84	5.20
	MICHIGAN				
29	First Security Savings Bank FSB, Bloomfield Hills[1]	2.27	48.20	93.57	3.10
91	Sterling Savings Bank FSB, Royal Oak[1]	1.53	23.60	97.79	1.61
	MINNESOTA				
35	Metropolitan Federal Bank of Minnesota, Brainerd[1]	2.08	41.77	103.02	2.09
	MISSISSIPPI				
3	Mississippi Hill & Delta Savings & Loan Assn., Sumner[1]	5.24	21.82	137.10	3.42
	MISSOURI				
19	Heartland Savings Bank FSB, St. Louis[1]	2.50	56.47	102.10	1.07
46	Home Building & Loan Assn., Mountain Grove[1]	1.97	18.25	106.79	2.55
76	North American Savings Assn., Grandview[1]	1.59	69.97	101.00	1.66
	MONTANA				
65	First Federal Savings Bank, Kalispell[1]	1.72	16.03	108.99	3.88
	NEVADA				
18	Atlantic Financial Savings, Las Vegas[1]	2.51	24.07	109.41	2.99
	NEW HAMPSHIRE				
31	Portsmouth Savings Bank, N.H.[2]	2.23	15.4	112.98	3.32
90	Southeast Bank for Savings, Dover, N.H.[2]	1.53	14.40	111.49	4.70
	NEW JERSEY				
6	First Financial Savings Bank SLA, Woodbridge[1]	3.87	48.38	104.97	5.92
10	Lakeview Savings & Loan Assn., Paterson[1]	3.25	43.80	105.05	2.16
74	Dollar Savings & Loan Assn., Newark[1]	1.64	12.85	107.82	4.07
85	Kearny Federal Savings & Loan Assn.[1]	1.55	12.90	111.86	2.28
	NEW MEXICO				
14	Security Federal S&L Assn., Albuquerque[1]	2.83	20.34	108.74	2.12
	NEW YORK				
32	Ulster Savings Bank, Kingston[2]	2.20	18.16	114.78	5.48
50	Abacus Federal Savings Bank, New York[1]	1.88	26.77	102.80	6.66
55	Green Point Savings Bank, New York[2]	1.79	16.28	111.46	3.72
	NORTH CAROLINA				
70	First Federal Savings & Loan Assn., Forest City[1]	1.68	11.18	115.95	2.33
87	First Federal Savings & Loan Assn., Lincolnton[1]	1.55	11.51	113.06	2.42
	OHIO				
2	South Side Savings Bank FSB, Lima[1]	7.15	80.84	102.62	2.50
73	Greenville Federal Savings & Loan Assn.[1]	1.64	55.67	101.95	2.43
80	Mercantile Savings Bank, Cincinnati[1]	1.58	18.86	107.06	4.73
88	Citizens Federal S&L Assn., Bellefontaine[1]	1.55	66.70	98.56	2.22
	OKLAHOMA				
95	Heartland Federal Savings & Loan Assn., Ponca City[1]	1.52	155.99	71.63	5.12
	PENNSYLVANIA				
17	Alpha Indian Rock Savings & Loan Assn., Philadelphia[1]	2.64	45.38	108.91	2.69
26	Commercial Credit Savings Bank, Pittsburgh[2]	2.33	7.19	129.97	6.77
36	Main Line Federal Savings Bank, Villanova[1]	2.07	39.96	98.96	1.93
56	Firstrust Savings Bank, Philadelphia[2]	1.78	12.52	115.56	4.07
100	Hatboro Federal Savings Assn.[1]	1.50	10.91	117.00	2.46
	SOUTH CAROLINA				
84	Woodruff Federal Savings & Loan Assn.[1]	1.57	12.46	113.07	2.13
	SOUTH DAKOTA				
94	Home Trust Savings & Loan Assn., Vermillion[1]	1.53	29.94	105.32	8.23
	TENNESSEE				
64	Savetrust Federal Savings Bank, Dyersburg[1]	1.74	25.46	108.74	2.78
93	First Federal Savings Bank, La Follette[1]	1.53	11.86	108.96	3.61
	TEXAS				
5	City Savings & Loan Assn., San Antonio[1]	4.45	51.78	81.12	0.59
11	USAA Federal Savings Bank, San Antonio[1]	3.16	16.03	120.30	5.57
33	Coastal Banc Savings Association, Houston[1]	2.16	60.49	67.04	6.88
	VIRGINIA				
16	Fidelity Federal Savings Bank, Richmond[1]	2.65	41.06	104.27	2.40
28	Metropolitan Bank for Savings FSB, Arlington[1]	2.28	30.98	110.72	2.23
30	Pioneer Federal Savings Bank, Hopewell[1]	2.26	31.07	106.28	1.58
52	NVR Savings Bank, McLean[1]	1.82	49.57	90.40	3.92
60	Virginia Beach Federal Savings Bank[1]	1.76	45.33	100.75	0.55
96	Fredericksburg Savings & Loan Assn.[1]	1.51	17.62	106.98	2.31
	WASHINGTON				
7	Continental Savings Bank, Seattle[1]	3.63	61.06	95.67	6.03
13	World S&L Assn. of America FS&LA, Lynnwood[1]	2.87	6.86	159.51	2.69
20	Washington Federal Savings & Loan Assn., Seattle[1]	2.49	22	108.83	3.07
58	Security Pacific Savings Bank, Tacoma[2]	1.77	21.22	109.09	3.56
81	Horizon Bank SB, Bellingham[2]	1.57	10.32	114.49	3.70
	WISCONSIN				
43	Reliance Savings & Loan Assn., Milwaukee[1]	1.98	6.85	139.31	2.40

Data Source: Federal regulatory data provided by **W.C. Ferguson & Co.**, Irving, Tex. from its data bases of SAIF-insured thrifts and BIF-insured state chartered savings banks. **ROA:** is net income divided by total average assets as calculated by **Ferguson**. **Return on Capital:** is net income divided by average capital. For SAIF-insured insured thrifts, the return on average estimated GAAP (generally accepted accounting principles) capital is used. For BIF-insured thrifts it is the return on average equity capital. **Int. Earn. Assets-to-Liabilities:** is the ratio of interest earning assets to interest bearing liabilities expressed as a percentage. **Spread:** For SAIF insured thrifts, the spread is the yield on earning assets minus the cost of funds. For BIF-insured thrifts, the net interest margin is shown. The margin is net interest income divided by average earning assets. (1)— A SAIF-insured thrift. (2)— A BIF-insured, state chartered savings bank.

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Earnings of the Top 100 Thrifts

Top 100 compared with all thrifts over the period 1985-1989 (dollar amounts in millions)

Year	Net Income Top 100 Thrifts	All Federally Insured Thrifts Net Income	All Federally Insured Thrifts Number	Income Ratio: Top 100-to-All	Breakdown of All Thrifts: BIF-Insured Thrifts Net Income	BIF-Insured Thrifts Number	SAIF-Insured Thrifts Net Income	SAIF-Insured Thrifts Number
1989	$3,041	(19,131)	3,367	NM	(131)	489	(19,000)	2,878
1988	$3,356	(10,059)	3,441	NM	1,041	492	(11,100)	2,949
1987	$4,052	(3,796)	3,631	NM	2,004	484	(5,800)	3,147
1986	$5,126	3,724	3,692	139%	2,224	472	1,500	3,220
1985	$3,690	5,633	3,638	66%	1,433	392	4,200	3,246

Data Sources: The data on FDIC-insured thrifts were provided by the **Federal Deposit Insurance Corporation** and **Sheshunoff Information Services Inc.**, Austin, Texas. The data on SAIF-insured thrifts are also from **Sheshunoff** and the Office of Thrift Supervision. Data on Top 100 thrifts are from the American Banker data base. Bank Insurance Fund, formerly the Federal Deposit Insurance Corp. (FDIC). **SAIF:** Savings Association Insurance Fund, formerly the Federal Savings and Loan Insurance Corp. (FSLIC). Bothe BIF and SAIF was created under FIRREA. **Number:** the number of thrifts operating at yearend. For BIF-insured thrifts the number includes both state and federally chartered savings banks. **NM**— not meaningful. ( )— Indicates a loss.

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STATISTICAL REFERENCE INDEX
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Franklin Failure Was Engineered By Regulators

By SANFORD ROSE

Will Ernie Fleischer win the battle but lose the war?

The chairman of Franklin Savings Association, the $11 billion Kansas thrift placed into conservatorship earlier this year, is suing to regain control of his institution. As is now well known, the Office of Thrift Supervision charged that Franklin should have booked some futures losses that it elected to defer. And, if booked currently, these losses would trigger a bond-indenture clause that would require Franklin to buy zero-coupon Treasury bonds with which to retire or "defease" its zero-coupon mortgage-backed liability bonds.

ANALYSIS: *Follow-up on the news*

The combination of the losses sustained in purchasing the zero-coupon Treasuries and those on the futures contracts would all but wipe out Franklin's book capital, pushing the institution into insolvency.

It now appears that the OTS acted improperly in throwing Franklin into conservatorship on the aforementioned grounds. But even if Fleischer is successful in persuading a court of law that this is in fact the case, his troubles will be far from over.

The government is now amassing evidence that Franklin is actually insolvent in a market-value sense. This evidence is, as this article will try to show, based on highly tenuous and questionable assumptions.

No Automatic Defeasance

But let us first discuss the impropriety of the OTS's decision to place Franklin into conservatorship. Though the regulators coupled the futures loss with that from bond defeasance, in point of fact the one need not have led to the other.

The mere fact that the regulators demanded that Franklin recognize currently its deferred futures losses would not have automatically triggered the bond-defeasance clause. Suppose that instead of placing Franklin in conservatorship, the OTS had confined itself to the demand for immediate futures loss recognition.

Franklin would have contested this demand, as is its right. And, as the *American Banker* article of March 5 points out, the institution had a good case that its prior accounting procedures were in conformity with GAAP.

While this dispute was being adjudicated, Franklin would have gone to the trustee and pro-

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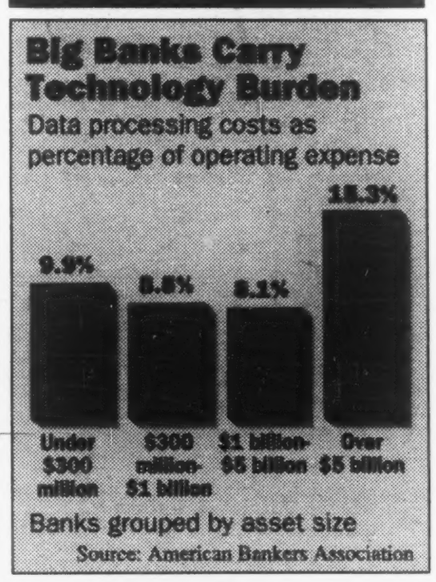

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PNC FINANCIAL CORP. is shifting the focus to its retail banking operations and away from nonperforming corporate loans. *Page 14*

FINANCE

A FARE WAR among the nation's airlines is making already cautious bankers even more concerned about financing the proposed $4.4 billion buyout of UAL Corp., parent of United Airlines. *Page 30*

WEST ONE BANCORP is a notable exception in a poor year for bank stocks. *Page 32*

INTERNATIONAL

BIG JAPANESE commercial banks are aiming to increase their merger and acquisition activity in the United States. *Page 24*

REAL ESTATE

MORE NEW ENGLAND builders are opting to file for bankruptcy protection rather than turn over a property in foreclosure. *Page 20*

COMMENT

WITH JUNK BONDS on the ropes, companies will be increasingly dependent on banks to provide capital, writes Paul Nadler. *Page 4*

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Big California Banks Said To Be Mulling Gibraltar Bid

By TERESA CARSON

LOS ANGELES — BankAmerica Corp., Security Pacific Corp., and Wells Fargo & Co. are among 11 potential bidders studying the books of Gibraltar Savings, the largest California thrift seized by the government, sources said.

Gibraltar's drawing card is its 83-branch network, mostly in Southern California. The thrift, based in Simi Valley, a Los Angeles suburb, has $7.4 billion in assets and $5.7 billion in deposits.

Bids on the thrift are due by June 10, said sources familiar with the proceedings.

Sale Due by June 30

Gibraltar is the second-largest of 11 thrifts the Resolution Trust Corp. has said it will sell by June 30. The largest is CenTrust Bank, Miami, with $5.9 billion in deposits.

The sources said that 11 potential buyers have inspected Gibraltar's financial records and that five others have expressed interest. It is unclear how many will actually submit bids.

Large financial institutions that already operate in California will have an edge in the bidding. Investment bankers say these institutions can wring cost savings out of the operations

On the Auction Block
RTC Sale
The five largest thrifts slated for sale by June 30
Deposits ($ in billions)
CenTrust Bank Miami $5.9
Gibraltar Savings Simi Valley, CA $5.7
Midwest Savings Minneapolis $2.0
American Savings Salt Lake City $1.3
Gibraltar Savings Seattle $1.3
Source: RTC

that out-of-state bidders or investor groups cannot.

BankAmerica, Security Pacific, and Wells declined to comment. Phone calls to the RTC were not returned.

Gibraltar was put into conservatorship on March 31, 1989, and into receivership on October 31, 1989.

At yearend 1989, Gibraltar Savings had $7 billion in deposits, making it the largest California thrift in conservatorship. The next largest, Imperial Savings Association, San Diego, had

See page **16**

Agent Banks Forced to Restructure Revlon Loan

By STEVEN LIPIN

NEW YORK — Barely a month into syndication, a $1.8 billion refinancing of the Revlon Group's bank loans is being restructured, the latest victim of the skittish market for highly leveraged transactions.

The restructuring became necessary, sources said, when the agent banks – the banking units of Chemical Banking Corp., Chase Manhattan Corp., Citicorp, and Manufacturers Hanover Corp. – ran into heavy resistance from prospective lenders.

On Friday, the four agents confirmed that revisions in the deal were being made. In a joint statement, they said: "In order to respond to current market conditions, Revlon and the co-agents are making certain structural and pricing adjustments to the $1.8 billion transaction currently in the marketplace."

However, informed sources said that the revisions will not change the cost of the loan for Revlon. Rather, any changes in fees or pricing will come out of

See **LENDERS** *page* **10**

GE Acquires Rights to Service Huge Portfolio

By STEPHEN KLEEGE

NEW YORK — Making a bold entry into the turbulent world of mortgage servicing, GE Mortgage Capital Corp. said Friday that it had agreed to buy the $12 billion portfolio of Travelers Mortgage Services Inc. from the Travelers Corp.

The companies did not disclose the price. Recent acquisitions of mortgage-servicing rights have cost between 160 and 185 basis points of the portfolio size. On that basis, the Travelers business would cost between $192 million and $222 million.

Industry experts said GE is taking advantage of a dip in the market to acquire one of the nation's largest servicing portfolios at a favorable price.

Officials of GE Mortgage Capital, a General Electric Capital Corp. unit in Raleigh, N.C., said the Travelers acquisition will enable it to provide a more complete service to its thrift and bank customers.

GE Mortgage Capital, known as Gemcap, is parent of GE Cap-

See **GE** *page* **22**

Ed Kashi

EXIT TRIUMPHANT: A.W. Clausen, who shepherded BankAmerica Corp. through some of its stormiest years, proudly noted that "BankAmerica is back" as he retired last week.

Clausen Exits Triumphantly, Having Salvaged Reputation

By SAM ZUCKERMAN

SAN FRANCISCO — At BankAmerica Corp.'s annual shareholder meeting last Thursday, Richard M. Rosenberg was installed as chairman and chief executive officer, but outgoing chief A.W. Clausen was man of the hour.

Three years ago, just months after he returned for a second tour of duty as BankAmerica chief, Mr. Clausen was booed and hissed by angry stockholders. They had seen their dividends dry up and the value of their holdings tumble as a result of the devastating financial crisis that rocked the company in the mid-1980s.

This time – after a partial restoration of the dividend, recovery of the stock, and record earnings of $1.1 billion in 1989 – a

See **CLAUSEN** *page* **29**

TECHNOLOGY NEWS: NOAC CONFERENCE WRAP-UP

In Computer Spending, Size Counts

But Small Banks Also Are Increasing Their Outlays

By JEANNE IIDA

SAN DIEGO — Big banks continue to spend much more of their budgets on data processing than small- and medium-sized banks, according to the American Bankers Association's latest national operations and automation survey.

For banks with at least $5 billion in assets, data processing accounted for about 15.3% of operating costs in 1989.

That's a bit less than the 16% calculated in 1986, the last year the ABA conducted its automation survey.

Big Jump for Small Banks

But community banks with under $300 million in assets spent proportionately much less – only 9.9%. That is up, however, from 6.9% in 1986.

Since the previous survey, it was the community banks that changed their approach to technology the most. In addition to boosting their spending on data processing more sharply than big banks, they reduced their reliance on outside processors.

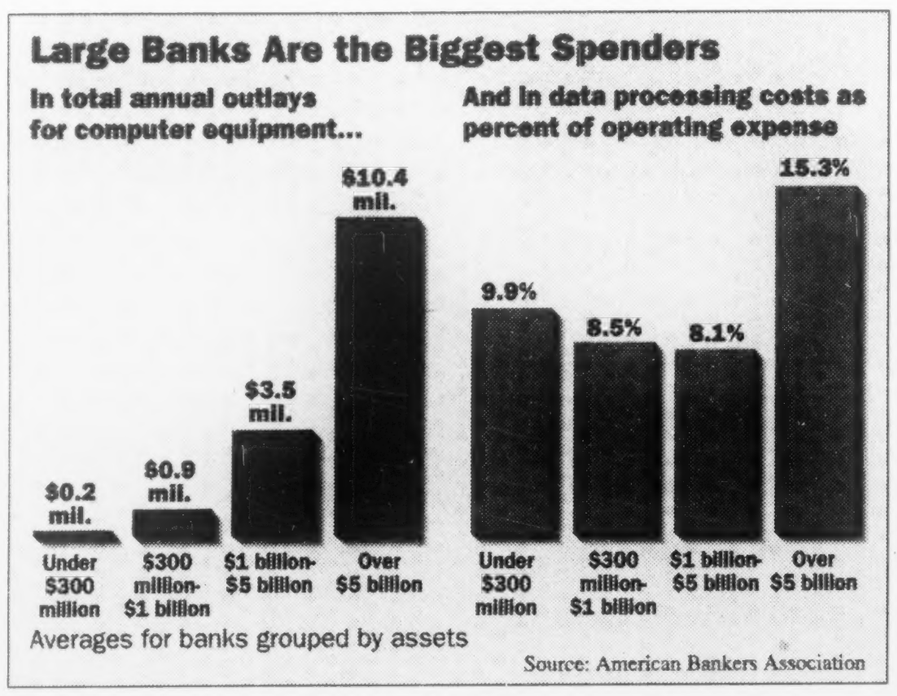
373 Institutions in Survey

The ABA study looked at data processing operations in 373 banks of all sizes.

The association tabulated its results in four categories – community banks, with assets of less than $300 million; medium-sized banks, with assets of between $300 and $999 million; large banks, with assets of $1 billion to $4.99 billion; and very large banks, with assets of at least $5 billion.

PCs Proliferate

The study found that banks, like corporations in other industries, have generally reduced their reliance on large mainframe computers, while minicomputers and personal computers have proliferated.



The study also showed that big banks – typically the most dependent on consultants – plan to reduce that dependence sharply over the next two years. Smaller banks plan to keep their use of consultants roughly even.

Moving In-House

Community banks, taking advantage of smaller and cheaper computers, have brought more of their processing in-house. Nearly 58% of community banks did their processing in-house in 1989, up from 42% in 1986. Small banks' use of facilities managers, who are contracted to run computer departments, dropped from 20% in 1986 to 10.4% in 1989.

For data processing consultants, banks with assets of $1 billion to $4.99 billion spent $184,000 on average last year. The average for the smallest banks was $18,000.

Banks with assets of $5 billion or more spent about $366,000 on the consultants.

Telecommunications costs rose for all banks and represented an average 3% of operating budgets. Telephone services, the biggest chunk of the telecommunications total, cost community banks $30,000 on average and the biggest banks about $8 million.

Mainframes Pace Spending

Mainframe computer expenses outstripped expenditures on minicomputers and microcomputers.

Average spending for mainframe equipment ranged from $150,000 at community banks to $7.5 million at the largest banks; the latter projected 1990 increases in mainframe budgets averaging 7.5%.

Personal computers proliferated among institutions of every size; all the very large banks in the survey and about 70% of the community banks were using them last year. Community banks spent about $15,000 annually on PCs, of which they had deployed 12 on average. The largest banks averaged $1.5 million in PC spending and 1,100 machines distributed throughout the institution. □

2 Systems Attract Bankers Beset by Pressure on Profits

By RICHARD LAYNE

In a year marked by the eruption of problem loans and increased pressure on banks to cut costs, it comes as no surprise that two technology themes recurred at the National Operations and Automation Conference in San Diego.

The conference, sponsored by the American Bankers Association, reportedly attracted 4,000 people last week.

Two rapidly emerging technologies – commercial-loan automation systems and image processing – have been the focuses for bankers intent on streamlining operations and better tracking profitability. Never before have bankers been so ready to use automation not just to process transactions but also to monitor and improve business performance.

In loan automation, bankers are buying sophisticated systems that handle some or all steps in lending, from sales calls and credit evaluation through loan review and profitability analysis.

Manual Check Handling

The interest-margin squeeze on commercial loans is not the only pressure bankers feel. Check processing is one of the last bastions of manual operations, with almost 1,000 people in some big banks coding checks in preparation for reading and sorting machines.

New imaging equipment from International Business Machines Corp. and Unisys Corp. could make check processing far more efficient and eliminate many jobs.

Imaging, in the words of one banker, threatens to separate the industry into haves and have-nots. Image-based check processing equipment comes with a high price tag – as much as $40 million.

Some bankers predicted that only the top tier of banks would be able to use imaging technology for check processing. They will sell their capability to the rest of the industry, these bankers said.

IBM System Unveiled

Bankers saw the first public showing of a prototype IBM system designed to automate major aspects of commercial lending by tying together existing software. IBM had previously shown the prototype, which runs on a personal computer, to executives at its invitation-only financial services industry conference two months ago.

> **"Officers Workbench is an attempt to give the loan officer more time with the client."**
>
> **Joseph Filoseta**
> *BancA*

Bill Reid, an IBM manager, said the new system, called Officers Workbench, will be commercially available in six months. He said he hopes soon to find a bank willing to test the new system, which links three software packages.

As do other computer companies, IBM believes an opportunity exists to sell automation to commercial lenders. For IBM, which has had moderate success in selling applications software, the easiest way was to repackage existing software.

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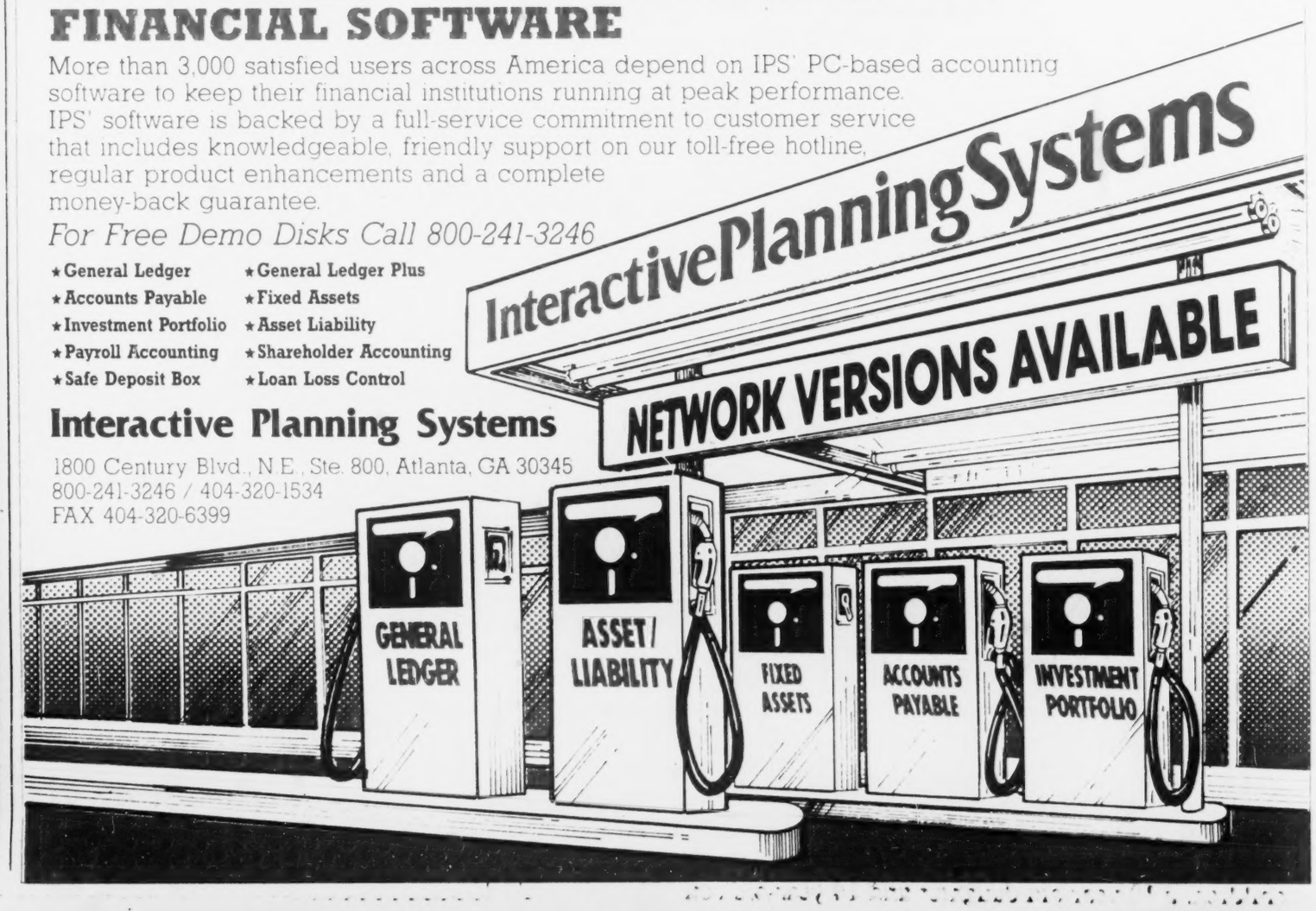

COMMENT/ *By Paul S. Nadler*

With Junk Bonds' Waning Comes Era of Opportunity

Harry Keefe, the banking analyst and industry guru, has a wry smile on his lips as he reports:

"I sat with this CEO of a major bank that is breaking its chops to get into investment banking. And I said to him, 'You earn about 18% on capital, and there isn't a major investment banker who earns much more than a third of that. What do you want to expand into Wall Street activities again for?' "

An Unpromising Field

This is a real question. Many banks have looked at investment banking and said "no way." Others who have started discount brokerage operations have found the revenue is minuscule relative to the costs and risks involved.

Even the securities industry people who have long opposed the banks' effort to modify or eliminate the Glass-Steagall Act restrictions on their investment banking operations have finally said, "O.K. You can get into investment banking if you help us get back into commercial banking."

To people like Harry Keefe, that sort of trade would definitely benefit the Wall Street people.

Mr. Nadler is a contributing editor of the *American Banker* and professor of finance at Rutgers University's Graduate School of Management.

The ideas above have been mouthed many times in this space and by many other banking observers. But what makes them even more poignant now is the financial environment we have generated after the junk bond era.

"Junk bonds," or "high-yield fixed-income securities" as their proponents prefer to call them, have had their ups and downs.

First, they were considered the godsend of America's capital-starved smaller companies. Entrepreneurs who could not tap Wall Street's traditional sources of capital found junk bonds, as they were first developed, a way of gaining the investment funds they needed to develop products and markets.

Abuses Crept In

It was only later that the phenomenon became identified with leveraged buyouts, speculating on brokered deposits guaranteed by the Federal Deposit Insurance Corp. or Federal Savings and Loan Insurance Corp., and the circular flow of funds from one junk bond issuer to the investment portfolio of another.

The sad point is that the collapse of the junk bond market due to its later abuse has left these undercapitalized newer and smaller companies without the funding vehicle that did them so much good.

With junk bonds dead or at least seriously sick, nonfinancial companies needing capital will be increasingly dependent on bank financing.

But as with any other dark cloud, the collapse of the junk bond market has its silver lining – and this is for the commercial banks. For with junk bonds dead or at least seriously sick, nonfinancial companies needing capital will be increasingly dependent on bank financing.

And this is just when banks' consolidation and their efforts to attract people capable of handling more complex capital market transactions are making banks more able to offer services competitive in price and quality with those of Wall Street firms.

In sum, the days of disintermediation – when money went directly to the capital and money markets, where it was placed with borrowers who needed capital – are ending. Traditional intermediation – with savers placing funds in banks, which then loan to companies that can no longer use the junk bond market – is back.

What has the decline in the junk bond market got to do with reducing the need for banks to enter investment banking? Plenty.

Institutions Can Act Alone

Banks will be able to handle the capital needs of smaller and newer companies directly, without using investment banking organizations to generate business.

As Henry Kaufman, head of the advisory company that bears his name, has put it: "The financing of mergers and acquisitions and leveraged buyouts will take a new turn. Instead of the plethora of new high-yield bond issues offered through the public market, much more financing will be consummated directly with major financial institutions such as commercial banks and insurance companies."

Instead of having to diversify into a difficult new arena to get capital market business, banks will be able to get this business just by being strong and competent.

In an era of so much bad news about banking, this is a welcome ray of sunshine. □

CRIME BLOTTER/ *By Tom Leander*

Restitution Verdict Reversed

In a unanimous decision overturning lower courts, the U.S. Supreme Court has ruled that a credit card cheat need repay only the sum in the charge to which he'd pleaded guilty, not a much larger amount he allegedly stole.

The court said that Frasiel L. Hughey, a former post office worker in San Antonio, did not have to repay $90,431 that he allegedly stole through a credit card scam.

$10,422 or $147,646?

Mr. Hughey convinced the justices that he had pleaded guilty to only one count of making more than $1,000 in unauthorized charges on a card issued by MBank U.S.A., a former subsidiary of Dallas-based MCorp, and that he should have to pay only $10,422 in restitution.

Federal prosecutors said they had evidence that Mr. Hughey stole 21 MBank cards. They said that to persuade him to plead guilty to charges of mail theft and credit card fraud they warned him he might otherwise be ordered to pay the bank $147,646.

$90,431 Compromise Rejected

A federal judge initially sentenced Mr. Hughey to eight years in prison and, in a compromise, reduced the restitution amount to $90,431.

The U.S. Court of Appeals for the Fifth Circuit in Dallas upheld that ruling.

But Justice Thurgood Marshall, writing for the unanimous Supreme Court, said last Thursday that under the Federal Victim and Witness Protection Act of 1982 Mr. Hughey could not be forced to pay more than he admitted, in a plea bargain, to having stolen.

The Court of Appeals upheld the restitution order last year. In urging the Supreme Court to do the same, Justice Department lawyers said that limiting the amount of restitution in the Hughey case would violate Congress' intent to provide adequate compensation to crime victims.

* * *

Embezzlement Probe Is On

Federal agents are investigating an embezzlement from Connecticut Bank and Trust Co., according to U.S. Attorney Stanley A. Twardy.

He would not say how much money was taken, which bank office was involved, when the crime occurred, or whether any customer accounts were affected.

Sources close to the investigation said the case could involve as much as $500,000. The bank, a subsidiary of troubled Bank of New England Corp., Boston, would not confirm the amount.

Federal regulators placed Connecticut Bank and Trust under a cease-and-desist order last month, putting the bank under tight supervision, particularly of its lending practices.

Spokesman Richard DeNoia said bank officials discovered the embezzlement recently during internal reviews. Mr. DeNoia said the bank is conducting its own probe in tandem with Mr. Twardy's.

* * *

Cops Beat Taxi to the Suspect

A man who allegedly robbed a Marine Midland Bank office in Syracuse, N.Y., wanted to escape by taxicab but was foiled by a long wait for the cab, officials said.

Erich White, a 21-year-old Syracuse resident, walked into the branch and demanded money from a teller, according to police spokesman Rod Carr. Mr. White allegedly left shortly afterward, carrying an undisclosed amount of cash.

He crossed the street to telephone for a cab, Mr. Carr said. But bank employees had already alerted police, who arrived on the scene at the same time as the taxi.

Mr. White was arrested without incident, Mr. Carr said. No weapons were apparent during the robbery or found on Mr. White, who was charged with third-degree robbery.

* * *

Norwest Branch Scrutinized

Soon after federal agents seized records from a Norwest Bank branch in Great Falls, Mont., on May 18, prosecutors revealed that the bank is being investigated for alleged money-laundering violations.

No charges have been filed against the bank or its officers.

The records pertained to the account of Richard Kurth and his wife, Judith, now serving prison sentences, and five other family members. The Kurths pleaded guilty to drug charges in 1987 after police raided their Great Falls ranch in October of that year and found a marijuana crop and seven gallons of hashish oil.

The investigation of the Norwest Corp. unit stems from allegations by Mr. and Mrs. Kurth that a bank officer urged them to raise marijauna as a cash crop to help pay off $1.3 million in debt on their ranch.

Bank president Frank Shaw declined to discuss the case, but when the Furths were sentenced in 1988 he dismissed the story as preposterous. Interim U.S. Attorney Doris Poppler in Great Falls also declined to comment. □

Reader Forum

The *American Banker* welcomes points of view on issues of interest and importance to the banking industry.

Please direct them to Jeffrey Kutler, assistant managing editor, American Banker, One State Street Plaza, New York, N.Y. 10004, and please include a daytime telephone number. Letters may be edited for space for a Letters to the Editor column or published separately as commentary.

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AMERICAN BANKER

VOL. CLV NO. 105 Wednesday, May 30, 1990 155th year

Investors Fear U.S. May Force Dividend Cuts

By JED HOROWITZ

Concern is growing among bankers and investors that regulators may soon force banks to reduce or suspend dividends on stock when earnings or capital are under pressure.

Relatively high quarterly dividends are the glue that keeps many an investor attached to a poorly performing bank stock. In fact, the dividends of companies such as Chemical Banking Corp., Manufacturers Hanover Corp. and Bank of Boston Corp. recently have been yielding between 10% and 11%.

A harder line on dividends, of course, could send prices falling even further, making it even more difficult for banks to raise new equity capital.

ANALYSIS: *Follow-up on the news*

Bank regulators have long had policies prohibiting dividend payments if a bank or holding company is suffering from weak capital or low-quality earnings that threaten future profitability.

Exemptions Once Granted

However, both the Federal Reserve Board and the Office of the Comptroller of the Currency have often winked and nodded – or granted formal exemptions from the law – when banks declared dividends in spite of poor earnings, according to analysts and lawyers.

If a bank was experiencing a short-term setback, the argument went, the last thing it needed was further erosion of shareholder confidence through a dividend cut.

Talk Is About Forced Cuts

In recent months, however, evidence of a change in regulatory attitude has surfaced. Analysts are openly talking about the likelihood of forced cuts in dividend payments at certain money-center banks as well as hard-hit regionals.

Paying out less income in the form of dividends may be mandated by the regulators in the face of deteriorating loan quality and higher risk-based capital requirements, say analysts.

"Regulators are reminding boards of the tougher capital standards they have to face under the 1992 requirements," said Carole Berger, an analyst at C.J. Lawrence Morgan Grenfell. " I expect a significant amount of dividend cuts over the next two years at banks."

Banking lawyers say they are getting anxious calls from bankers about the new attitude. "People are more concerned about

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INSIDE NEWS

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A HIGH-TECH FOCUS has helped State Street Boston Corp. roar while rivals reel from real estate woes. *Page 8*

STEERING CLEAR of real estate has helped State Street to a 1.6% dividend yield, among the lowest. *Page 24*

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THE MAC NETWORK of ATMs has a new member, First Federal Savings and Loan of Rochester – also a member of the rival New York Cash Exchange. *Page 6*

INTERNATIONAL

JAPAN'S TOP commercial banks, posting sharply lower earnings for 1989-90, blamed rising interest and new provisions for exposure to Third World lending. *Page 10*

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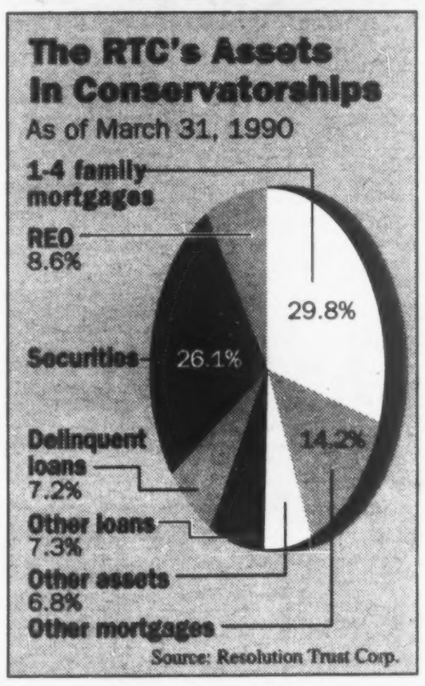
BANK OF BOSTON Corp.'s attempt to boost liquidity has narrowed its net interest margin. *Page 24*

THRIFTS



THE RESOLUTION TRUST Corp. issues a report on its activities. *Page 16*

COMMENT

SNAKE OIL for the financial industry is William M. Isaac's view of proposals that assets be marked at market and intervention be mandatory if capital falls below benchmarks. *Page 4*

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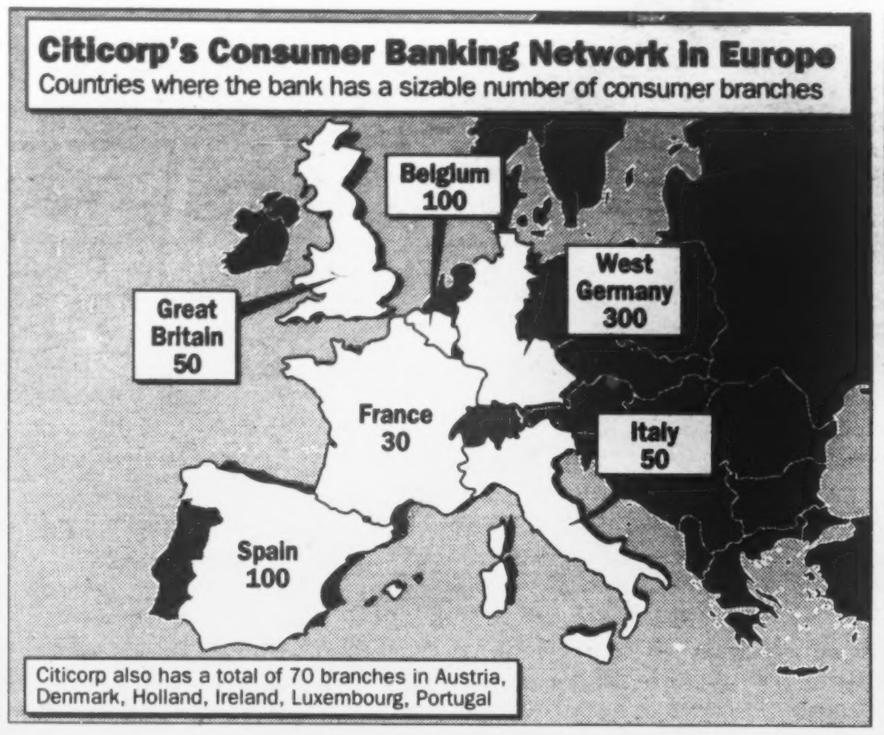
Citicorp's Consumer Banking Network in Europe
Countries where the bank has a sizable number of consumer branches
Belgium 100
Great Britain 50
West Germany 300
France 30
Italy 50
Spain 100
Citicorp also has a total of 70 branches in Austria, Denmark, Holland, Ireland, Luxembourg, Portugal

Citicorp Driving to Open Network Of 1,000 Branches Across Europe

By JOHN EVANS

LONDON — Citicorp is on the prowl in Europe.

As many U.S. banks continue to retreat from the Continent, Citicorp is bent on acquiring banks and other financial service companies throughout the European Community.

The bank wants to capture about 6% of the European market through a 1,000-strong branch network, outstripping the penetration of Europe's big banks.

Significance Is Increasing

This reflects the commitment "to make Citicorp Europe an increasingly important part of the corporation," said Robert Selander, vice president and chief of staff for the bank's European consumer banking group.

With 700 branches in 11 countries, Citicorp is well on its way toward achieving its goals. It already services more than eight million accounts, equivalent to 3% of all European households. Indeed, Citicorp has as many customers at branches in Europe as it does in its U.S. branches.

"Citicorp will emerge as the most effective, cost-efficient U.S. pan-European banking organization servicing both the wholesale and retail markets," predicted Thomas H. Hanley, managing director and banking analyst at Salomon Brothers Inc., in a recent report.

See **CITICORP** *page* **10**

Court Ruling On Liability May Spook Wary Banks

By STEPHEN KLEEGE

NEW YORK — Already wary of making many new loans, bankers are likely to become even more cautious in the wake of a court ruling broadening the boundaries of lender liability, industry experts said Tuesday.

These experts said that, in deciding late last week against a unit of Fleet/Norstar Financial Group, the 11th U.S. Circuit Court of Appeals in Atlanta ruled in effect that banks were liable for environmental cleanup costs merely because their normal lending relationships put them in a position to make companies take preventive action.

'Completely Paranoid'

"Lenders are already completely paranoid. This is going to heighten the paranoia," said Alan Vollmann, a lawyer at Morrison & Foerster in Washington, who is following the case.

Even as officials of Fleet/Norstar considered their next move – which could include an appeal to the U.S. Supreme Court – experts said the decision is likely to chill lending to certain types of business. It may also spur Congress to consider legislation lim-

See **CLEANUP** *page* **18**

BankAmerica Builds Network Of 18,000 PCs

By KAREN GULLO

NEW YORK — BankAmerica Corp. has nearly completed installation of a network of 18,000 personal computers in 1,300 California locations.

The personal computers are part of an ambitious multimillion-dollar program to improve productivity with a system that delivers, to any teller or customer-service representative, information about a customer's entire relationship.

Leader in Movement

The system puts the bank in the forefront of the movement to PCs and away from older-technology terminals that are unable to operate independently of a central computer or controller. PC advocates say the machines will help branches generate sales rather than just process transactions.

See **BANKAMERICA** *page* **3**

Judith Fellheimer Relinquishes A High-Echelon Post at Equibank

By TOM LEANDER

NEW YORK — Judith E. Fellheimer, vice chairman of the Equibank subsidiary of Equimark Corp. and a member of one of the few husband-and-wife management teams in banking, has resigned her post to "pursue other interests," the company announced Tuesday.

Her husband, Allan S. Fellheimer, remains chairman and chief executive officer of Pittsburgh-based Equimark.

Mrs. Fellheimer, who held several posts at Equimark companies since 1984, was a casualty of Equimark's recent failure to complete its planned acquisition of National Bancshares Corporation of Texas, San Antonio, from the Federal Deposit Insurance Corp. As vice chairman of Equibank since February, she was to have had a hand in the Texas operation.

Neither Mrs. Fellheimer nor her husband could be reached for comment Tuesday. Her position will not be filled, according

Judith E. Fellheimer
Equibank

to Claire W. Gargalli, president and chief operating officer of Equimark and chairman of Equibank.

"We found ourselves with too many people at the top of the company," said Ms. Gargalli. Mrs. Fellheimer left of her own accord, "in the best interests of

See **FELLHEIMER** *page* **14**

NOTE

ONLY THE FOLLOWING PAGES OF THIS

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